



LESLIE GEISSLER MUNGER
ILLINOIS COMPTROLLER

TAX EXPENDITURE REPORT

ILLINOIS

FISCAL YEAR 2014

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ILLINOIS COMPTROLLER



August 2015

A Message to Illinois Taxpayers

Greetings! It is my pleasure to present this tax expenditure report for fiscal year 2014.

Compiled by my office as required by state law, this report contains information from agencies throughout state government. Tax expenditures, such as exemptions, credits or abatements, are given to individuals, corporations or other organizations. In fiscal year 2014, state agencies reported 269 such expenditures, totaling roughly \$9.2 billion in foregone revenues.

Tax expenditures are enacted for a variety of reasons. In Illinois, they have been used to provide tax fairness (e.g. food and prescription drug exemption from sales taxes), encourage education (e.g. tuition tax credits), and promote economic development (e.g. tax exemptions for Enterprise Zone businesses).

In addition, the report analyzes tax expenditures greater than \$100 million, examines growth trends for the three largest tax expenditures, lists incentives designed to encourage businesses to locate and expand in Illinois, and highlights the differences between expenditures that primarily benefit individuals and those that assist businesses.

I hope you find this report informative and useful. If you have any comments or suggestions regarding this report, or any other report of the Comptroller's Office, please contact us at (217)782-6000 or (312)814-2451, or www.illinoiscomptroller.gov.

Sincerely,

Leslie Geissler Munger
Illinois State Comptroller

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INTRODUCTION

What is a Tax Expenditure?

A tax expenditure is any exemption, exclusion, deduction, allowance, credit, preferential tax rate, abatement, or other device that reduces the amount of tax revenue that would otherwise accrue to the State. Tax expenditures are used to provide a means of benefiting “selected” groups or providing an incentive for the performance of desired activities. Numerous expenditures have been implemented over the years benefiting individuals and businesses.

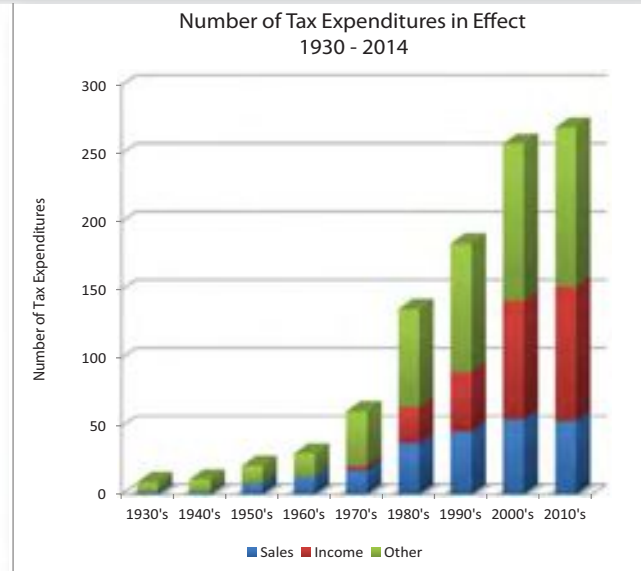
The total impact of tax expenditures in Illinois (as reported by state agencies) was estimated at \$9.2 billion in fiscal year 2014, with the major portion derived from income and sales tax expenditures.

Tax expenditures have been used since the early 1930’s; however, it was the decade of the 1980’s that saw an explosive growth in their use. During that decade, 75 of the existing tax expenditures were enacted. Of these, at least 29 were related to economic development efforts, including various tax expenditures related to enterprise zones, foreign trade zones, and high impact business investments.

For fiscal year 2014, agencies identified 269 tax expenditures; 221 were associated with taxes and 48 with licenses or fees. Since fiscal year 2000, there has been a second spurt in economic development tax preferences with tax breaks for river edge redevelopment zone investments, the Economic Development for a Growing Economy (EDGE) tax credit, film production services credit, and the live theater production credit.

The Impact of Higher Income Tax Rates

Effective January 1, 2011, the individual income tax rate was increased from 3% to 5% and the state corporate income tax rate increased from



4.8% to 7%. Both the individual income tax and corporate income tax information in this report accounts for the impact of the increase in the tax rate. This is the second report in which the corporate income tax data incorporates the impact of the rate increase, and the third report in which individual income tax data accounts for it. (Note: the individual and corporate income tax rates decreased to 3.75% and 5.25% respectively, effective January 1, 2015. The impact of these changes will not be seen in this report for a few years.)

As footnoted in this report, the computations of the costs of tax expenditures for the individual income tax were derived from 2013 tax year returns. The Department of Revenue waits an additional year to get more complete tax returns for computing tax expenditures for the corporate income tax. Thus, computations of tax expenditures for the corporate income tax in this report were derived from 2012 tax year returns.

The impact of the higher tax rates on the cost of a specific tax expenditure depends on the nature of the tax expenditure. Higher tax rates are unlikely to have much impact on tax credits other than that larger tax liabilities may leave fewer potential credits unused. For example, the

tax credit for residential real property taxes is 5% of property taxes paid on the taxpayer's principal residence. The value of this credit is not impacted by the higher tax rate; its cost rose only slightly from fiscal years 2013 to 2014 (\$548 million and \$552 million respectively). In contrast, subtractions from the tax base will become more costly as every \$100 in individual income tax subtractions will now reduce revenues by \$5 versus \$3 before the rate increase. The subtraction for federally taxed retirement and Social Security income is a prime example. Its cost rose from \$1.1 billion in fiscal year 2011, \$2 billion in fiscal year 2012, \$2.2 billion in fiscal year 2013, and again in fiscal year 2014 to \$2.3 billion, making it the most expensive tax expenditure.

The majority of tax expenditures against both the individual and corporate income taxes are subtractions. For the fiscal year 2014 Tax Expenditure Report, \$3.728 billion of tax expenditures for the individual income tax were from subtractions and \$908 million were credits. The breakdown for the corporate income tax was \$55 million arising from subtractions and \$193 million in tax credits.

What's New in Tax Expenditures

Tax Expenditures of \$9.2 Billion in FY 2014

Reported tax expenditures of \$9.214 billion in fiscal year 2014 were up \$625 million or 7.3% from reported tax expenditures of \$8.589 billion in fiscal year 2013. Of special note, the Foreign Dividend Subtraction was deemed to have been incorrectly identified as a state tax expenditure in fiscal year 2013, as its basis for exclusion from taxation is based in federal not state law. It has subsequently been removed for fiscal year 2014. Additionally, the data for this subtraction was removed from the fiscal year 2013 portion of this report. This was done to ensure accurate comparisons between the two fiscal years. By removing the Foreign Dividend Subtraction from fiscal year 2013, the total reported tax expendi-

tures were reduced by over \$360 million. The tax expenditure number for fiscal year 2013 mentioned above and any data going forward reflects this change.

Tax expenditures from the sales tax of \$3.554 billion were up \$52 million or 1.5% from the prior year estimate. The estimated cost of the most expensive tax expenditure, the food, drugs, and medical appliances rate reduction, of \$1.727 billion was up \$83 million (5.0%) from the prior year estimate. The traded-in property exemption rose by \$65 million (23.0%). However, these large increases were partially offset by similar decreases in other expenditures. The cost for the exemption for sales of building materials used within an enterprise zone decreased \$5.1 million from \$23.9 million to \$18.8 million. The manufacturing and assembly machinery and equipment exemption was down \$36 million (17.6%). The sales to exempt organizations expenditure decreased by \$56 million (16.8%).

Tax expenditures for the individual income tax of \$4.636 billion were up \$282 million or 6.5% from fiscal year 2013 expenditures of \$4.354 billion. The expenditure for federally taxed retirement and Social Security subtractions rose \$55 million or 2.5%. The state Earned Income Tax Credit (EITC) increased to 10% of the federal EITC in tax year 2013: a change which helped grow the cost of that expenditure by \$69.2 million, or 42.6%. The estimated cost for the standard exemption rose \$33 million or 3.0%. Additionally, the estimated cost of the foreign trade zone dividends subtraction rose from \$4.4 million to \$67.9 million, while the research and development credit for individual income tax dropped from \$14 million to \$4.7 million. The three dominant individual income tax expenditures continued to be the federally taxed retirement and social security subtraction (\$2.288 billion), the standard exemption for taxpayers and their dependents (\$1.143 billion), and the tax credit for residential real property taxes (\$551.7 million).

Tax expenditures from the corporate income tax of \$248.1 million were up \$109.2 million or 78.6% in fiscal year 2014.¹ A large portion of this increase was the reinstatement of the Illinois net operating loss deduction (\$34.1 million). Also contributing were increases in the film production services credit (up \$26.1 million, a 139.2% increase) and the research and development credit for corporate income tax (\$26.7 million, a 87% increase).

The hospital provider assessment exemption is for hospital providers who are state agencies and state universities or are counties or other units of local government and was \$184.6 million in fiscal year 2014. This was a modest increase from the prior year (\$11.3 million, or 6.6%), despite the current hospital services assessment remaining at \$218.38 per occupied hospital bed-day excluding Medicare bed-days. The assessment was effective through fiscal 2014.

Tax expenditures for the motor fuel taxes were \$187.3 million in fiscal year 2014, up \$48 million (34.5%) from the prior year. Practically all of the increase was from the sales for use other than in motor vehicles exemption, up \$52.8 million (46.4%). This was tempered with a decrease in the timely filing and full payment discount (down \$5.0 million, or 26.4%).

Tax expenditures for the insurance retaliatory tax, the final revenue source with over \$100 million in tax expenditures, were \$172.2 million in fiscal year 2014, up \$98.1 million (132.6%) from the prior year. The vast majority of this increase was from the introduction of the privilege tax offset (\$75.7 million).

What's New in Fiscal Year 2014

The Department of Insurance has expanded the number of expenditures reported under the Retaliatory Tax. The Financial Regulation Fee Offset is based on an annual fee that both foreign and domestic insurance companies pay which is calculated from net assets, written premiums and assumed reinsurance. Policy Form Filing Fees is an offset based on filings paid per calendar year. Privilege Tax Offset is the amount of privilege tax payable based on premiums written in Illinois. The Other expenditure is a collection of miscellaneous fees collected by the department and are included as allowable offsets.

Under the individual income tax, the standard exemption was \$2,100 for tax year 2013. It grows by the rate of inflation each year, and will be \$2,125 in tax year 2014 and \$2,150 for tax year 2015. The state Earned Income Tax Credit (EITC) was 10% of the federal EITC in tax year 2013 and remained the same for tax year 2014.

The Illinois net operating loss deduction was suspended for tax years ending between January 1, 2011 and December 30, 2012, and is capped at \$100,000 per year per taxpayer for tax years ending between December 31, 2012 and December 30, 2014. ■

¹ Adjusted for Foreign Dividend Subtraction discussed above.

A REVIEW OF FISCAL YEAR 2014 TAX EXPENDITURES

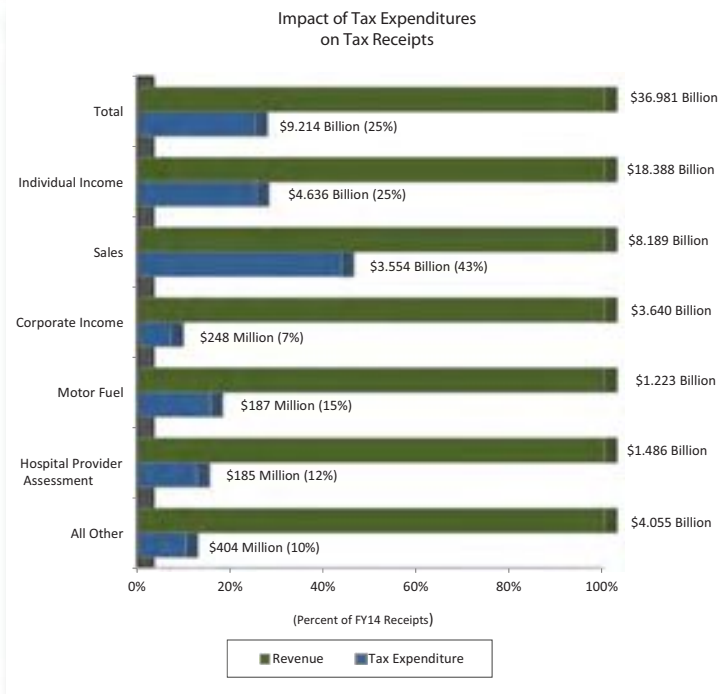
The Impact of Tax Expenditures

Although tax expenditures were reported for 44 revenue sources in fiscal year 2014, the five largest tax sources accounted for \$7.895 billion or 85.7% of the \$9.214 billion in reported tax expenditures.

A little over half of the reported value of tax expenditures was attributed to the individual income tax. Tax expenditures against the individual income tax of \$4.636 billion accounted for 50.3% of total tax expenditures. Tax expenditures against the sales and use tax of \$3.554 billion were 38.6% of the total, and corporate income tax expenditures of \$248 million were 2.7% of the total. The hospital provider assessment (\$185 million) accounted for 2% and the motor fuel tax (\$187 million) accounted for 2% of reported tax expenditures, leaving only \$404 million or 4.4% for tax expenditures from the remaining revenue sources.

Tax Expenditures Greater than \$100 Million

There were fifteen tax expenditures with estimated costs in excess of \$100 million in fiscal



year 2014. Eight of the over \$100 million tax expenditures were from the sales tax, with 5 from the individual income tax, and one each from the hospital provider assessment and the motor fuel tax. The top three tax expenditures—the retirement income and Social Security deduction and the standard deduction from the individual income tax, and the food, drug, and medical appliance rate reduction from the sales tax—had a cost of over \$5.157 billion. With a cost of \$2.288 billion, the retirement income and Social Security deduction represented almost 25% of the total reported impact of tax expenditures. The fifteen largest tax expenditures totaled \$7.895 billion or 85.7% of the total impact of all tax expenditures.

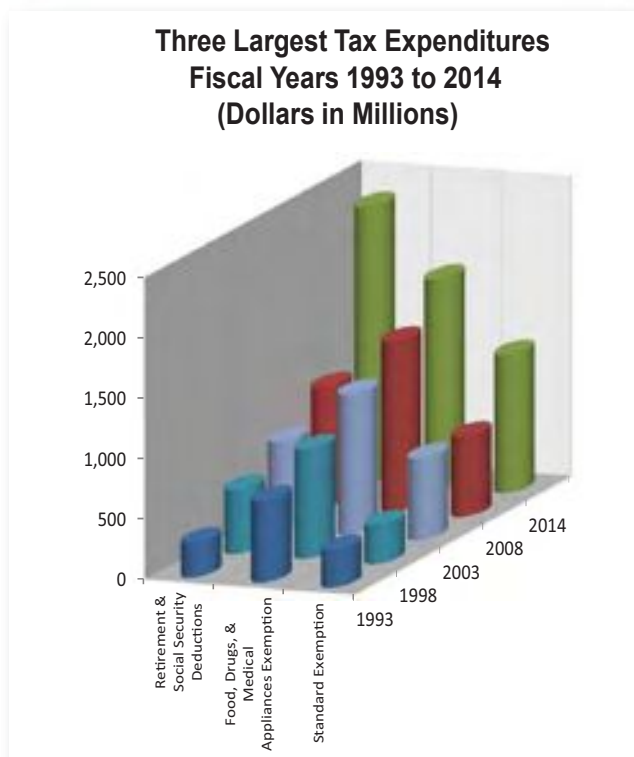
Three Largest Tax Expenditures, Fiscal Years 1993 to 2014

Reported tax expenditures of \$9.2 billion for fiscal year 2014 were \$6.1 billion greater or almost 3 times the \$3.1 billion reported for fiscal year 1993, the first year that the Tax Expenditure Report was issued. The change in the value of

The Fifteen Largest Tax Expenditures - Fiscal Year 2014
(Millions of Dollars)

Amount	Expenditure	Applied Against
\$ 2,288	Retirement and Social Security Deductions	Individual Income Tax
1,727	Food, Drugs, Medical Appliances	Sales Tax
1,143	Standard Deduction	Individual Income Tax
552	Property Tax Credit	Individual Income Tax
347	Exemption for Trade-Ins	Sales Tax
277	Sales to Exempt Organizations	Sales Tax
255	Farm Chemical Exemption	Sales Tax
231	Earned Income Tax Credit	Individual Income Tax
185	Hospital Provider Exemption	Hosp. Provider Assess.
168	Manufacturing Machinery Exemption	Sales Tax
167	Non Motor Vehicle Use	Motor Fuel Tax
145	Other Individual Income Tax Subtractions	Individual Income Tax
144	Biodiesel Discount and Exemption	Sales Tax
136	Gasohol Discount	Sales Tax
131	Retailer's Discount	Sales Tax
\$7.895 Billion	Total Impact of Fifteen Largest Tax Expenditures	
\$9.214 Billion	Total Impact of All Tax Expenditures	
86%	Percent of Total Impact	

reported tax expenditures reflects improved reporting and new tax expenditures, as well as the impact of inflation and economic growth, and the increase in the individual and corporate income tax rates in 2011. Of particular interest are the trends in growth for the three largest expenditures which accounted for over half (56.0% in fiscal year 2014) of the total reported cost.



The largest tax expenditure is the individual income tax deduction for retirement and Social Security income. Retirement subtractions from the Illinois individual income tax apply to all retirement income including IRA, disability, Social Security, and railroad retirement income that is subject to the federal income tax. The estimated cost of this tax expenditure of \$2.288 billion for fiscal year 2014 was \$2.004 billion greater or over 8 times its cost of \$284 million in fiscal year 1993. The substantial growth in this expenditure in part reflects the increase in

income that has become subject to the federal tax, such as the increase in the maximum percentage of federally taxable social security income from 50% to 85% effective for the 1994 tax year. Also, the cost of the expenditure nearly doubled from fiscal year 2011 to fiscal year 2012 as the individual income tax rate increased from 3% to 5% on January 1, 2011, which increased the value of the expenditure.

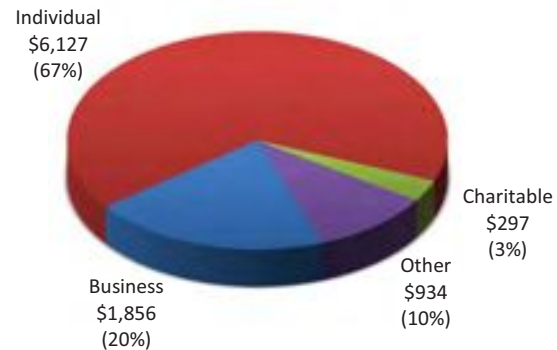
The second-largest tax expenditure is the sales tax rate for food, drugs, and medical appliances reduction. Between fiscal year 1993 and fiscal year 2014, its cost increased \$1.055 billion as the tax expenditure more than doubled from \$675 million to \$1.727 billion, reflecting inflation and increased consumer purchases of exempted items.

The standard deduction from the state individual income tax had been one of the slowest growing tax expenditures, increasing only \$14 million from \$306 million to \$320 million between fiscal year 1993 and fiscal year 1998 when the deduction amount was \$1,000. With the increases to the deduction amount in the last 15 years (to \$1,300 for the 1998 tax year, \$1,650 for the 1999 tax year, \$2,000 for tax years 2000 through 2011, \$2,050 for tax year 2012, \$2,100 for tax year 2013, and \$2,125 for tax year 2014), its cost has increased a further \$823 million to \$1.143 billion for fiscal 2014. More annual growth is expected, as the deduction will be increased by an inflation adjustment each year. ■

Who Received Tax Expenditures?

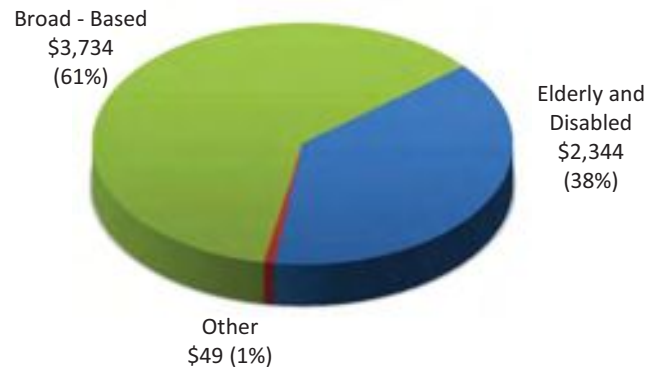
Tax expenditures for individuals totaled \$6.1 billion while businesses received \$1.9 billion, charities \$297 million, and others \$934 million.

**Tax Expenditures by Purpose
(Dollars in Millions)**



Individuals received \$3.7 billion in broad-based tax expenditures. The three largest were the food and drug rate reduction, the standard exemption from the individual income tax, and the property tax credit. Other broad-based tax expenditures included the earned income credit and the education expense credit. The expenditures for the elderly and disabled of \$2.3 billion consisted primarily of the federally taxed retirement and Social Security subtractions.

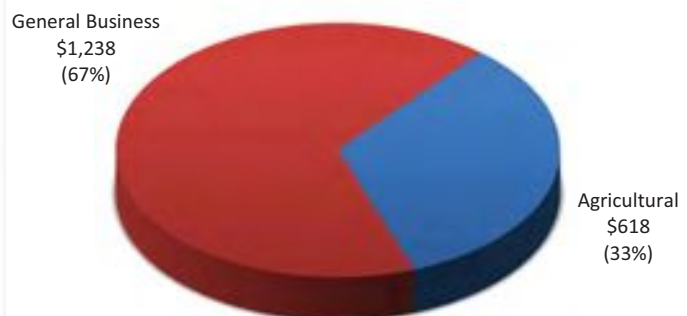
**Individual Expenditures
(Dollars in Millions)**



The impact of general business expenditures was \$1.2 billion, while agricultural expenditures were \$618 million. The manufacturing machinery exemption, sales for use other than in motor vehicles exemption, retailer's sales tax discount, and rolling stock exemption were the largest general business expenditures.

Sales to exempt organizations were all but \$20 million of the \$297 million worth of expenditures for charities. The largest of the \$934 million in other expenditures was the \$347 million impact of the traded-in property exemption from the sales tax.

**Business Expenditures
(Dollars in Millions)**



Economic Development Tax Incentives

One of the most notable uses of tax expenditures is to provide incentives to businesses to maintain and expand employment and investment in the state. Among the current business incentives offered by Illinois are the sales tax exemption and credit for manufacturing equipment, tax incentives for high economic impact businesses and investments in enterprise zones and river edge redevelopment zones, EDGE (Economic Development for a Growing Economy) tax credits, job training contribution subtractions, research and development credits, and film production services credits.

The cost of these incentives was \$611 million in fiscal year 2014. The largest incentive was the manufacturing and assembling machinery and equipment exemption from the sales tax with a cost to the state of \$168 million. There were six other incentives with a cost in excess of \$25 million: the manufacturer's purchase credit from the sales tax; the EDGE tax credit from the individual and corporate income taxes; the foreign trade zones dividend subtraction from the individual income tax; and the research and development and film production services credits, both from the corporate income tax. ■

	Fiscal Year 2013 Annual Impact	Fiscal Year 2014 Annual Impact
Sales Taxes:		
Manufacturing and Assembling Machinery and Equipment Exemption	\$204,000	\$168,000
Manufacturer's Purchase Credit	34,539	49,000
Designated Tangible Personal Property within Enterprise Zone Exemption	18,608	21,108
Building Materials within Special Zone Exemption	23,899	18,753
Graphic Arts Machinery and Equipment Exemption	10,200	10,000
High Impact Business Building Materials Exemption	4,699	2,921
High Impact Business Designated Tangible Personal Property Exemption	2,311	2,389
Individual Income Tax:		
Income Tax Subtractions	7,058	67,934
Income Tax Credits	55,033	43,210
Corporate Income Tax:		
Economic Development for a Growing Economy Tax Credit	45,085	58,873
Research and Development Credit	30,696	57,407
Film Production Services Credit	18,753	44,858
Enterprise Zone Investment Credit	17,928	19,237
River Edge Redevelopment Zone Investment Credit	0	632
Angel Investment Credit	0	494
High Economic Impact Business Dividend Subtraction	93	333
High Economic Impact Business Investment Credit	0	162
Special Zone Dividend, Interest, and Charitable Contribution Subtractions	1,588	0
Job Training Contribution Subtraction	24	0
Electricity Excise Tax:		
Enterprise Zone and Foreign Trade Zone Exemption	23,572	22,640
High Impact Business Electricity Excise Tax Exemption	1,897	1,127
Purchase of Electricity Generated by Solid Waste Energy Facility Credit	126	0
Gas Revenue Tax:		
Enterprise Zone and Foreign Trade Zone Exemption	13,929	17,212
High Impact Business Exemption	652	647
Telecommunications Excise Tax:		
Enterprise Zone and Foreign Trade Zone Exemption	3,642	3,805
High Impact Business Exemption	806	679
Gross Receipts Tax (Public Utility Fund):		
Enterprise Zone Revenue Exemption	18	21
Total	\$519,156	\$611,442

The Tax Expenditure Report identifies only tax expenditures that reduce State revenues. When local taxes are piggybacked onto state taxes, tax expenditures also reduce local government tax revenues. A prime example is sales tax expenditures that also apply to the additional portion of sales tax collections distributed to local governments.

One prominent tax expenditure has been designed to exclusively impact local government revenues. The investment tax credit is

applied against the personal property replacement income tax which is distributed to local governments. This tax expenditure includes a base 0.5% credit for buying equipment used in retailing, manufacturing, or mining. An additional credit is allowed for companies that increase their Illinois employment. The maximum additional credit is 0.5% for companies whose Illinois employment has increased by at least 1% over the previous year. The cost to local governments for this tax expenditure for the 2012 tax year was \$56.1 million.

TAX EXPENDITURES BY FUND GROUP AND FUND

(IN THOUSANDS)

Fund Group: General

Fund Name and Code:		FY 13	FY 14
General Revenue Fund	0001	\$ 6,571,300	\$ 7,066,074
General Revenue - Common School Special Account Fund	0005	875,655	889,192
Education Assistance Fund	0007	295,189	321,933
Common School Fund	0412	1,840	1,777
Total Impact, General		\$ 7,743,984	\$ 8,278,976

Fund Group: Highway

Fund Name and Code:		FY 13	FY 14
Motor Fuel Tax - State Fund	0012	\$ 139,265	\$ 187,275
Road Fund	0011	8,209	8,819
State Construction Account Fund	0902	4,090	4,476
Total Impact, Highway		\$ 151,564	\$ 200,570

Fund Group: Special State

Fund Name and Code:		FY 13	FY 14
Income Tax Refund Fund	0278	\$ 448,780	\$ 473,641
Hospital Provider Fund	0346	173,200	184,600
Underground Storage Tank Fund	0072	17,056	17,515
Long Term Care Provider Fund	0345	12,670	13,185
Fire Prevention Fund	0047	10,982	11,893
Build Illinois Fund	0960	8,000	9,480
Horse Racing Fund	0632	3,359	3,504
Illinois Health Facilities Planning Fund	0238	1,712	1,828
School Infrastructure Fund	0568	1,840	1,777
Local Tourism Fund	0969	1,250	1,485
Wildlife and Fish Fund	0041	1,272	1,272
International Tourism Fund	0621	825	990
Public Utility Fund	0059	786	734
Drivers Education Fund	0031	610	602
Corporate Franchise Tax Refund Fund	0380	387	498
Illinois Clean Water Fund	0731	375	487
Park and Conservation Fund	0962	0	397
Facility Licensing Fund	0118	311	343
Metabolic Screening and Treatment Fund	0920	273	276
Environmental Protection Permit and Inspection Fund	0944	220	212
State Police Vehicle Fund	0246	189	197
Health Facility Plan Review Fund	0524	184	100
Long Term Care Monitor/Receiver Fund	0285	150	155
Lead Poisoning, Screening, Prevention and Abatement Fund	0360	85	85
General Professions Dedicated Fund	0022	0	50
Private Sewage Disposal Program Fund	0790	16	31
Public Health Water Permit Fund	0256	6	6
Pesticide Control Fund	0576	11	4
Illinois School Asbestos Abatement Fund	0175	2	2
Total Impact, Special State		\$ 684,551	\$ 725,349

Fund Group: Debt Service

Fund Name and Code:		FY 13	FY 14
Capital Projects Fund	0694	\$ 9,223	\$ 9,342
Total Impact, Debt Service		\$ 9,223	\$ 9,342

GRAND TOTAL, IMPACT		\$ 8,589,322	\$ 9,214,237
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TAX EXPENDITURES BY REVENUE SOURCE

(IN THOUSANDS)

Revenue Source and Annual Receipts: Individual Income Tax

Expenditure:	FY 13	FY 14
Federally Taxed Retirement and Social Security Subtractions	\$ 2,232,932	\$ 2,287,744
Standard Exemption: Taxpayers and Dependents	1,109,511	1,142,715
Tax Credit for Residential Real Property Taxes	547,809	551,730
Earned Income Tax Credit	162,245	231,436
Other Subtractions ¹	71,795	145,051
Education Expense Credit	79,714	81,296
Foreign Trade Zone Dividends Subtractions ²	4,359	67,934
Military Pay Subtraction	52,574	48,031
Economic Development for a Growing Economy Tax Credit	38,943	37,762
Additional Exemptions: Blind and Elderly	34,626	36,085
Other Income Tax Credits ³	19,097	5,936
Total Impact	\$ 4,353,605	\$ 4,635,720

Revenue Source and Annual Receipts: Sales and Use Tax

Expenditure:	FY 13	FY 14
Food, Drugs, and Medical Appliances Rate Reduction	\$ 1,644,000	\$ 1,727,000
Traded-In Property Exemption ⁴	282,000	347,000
Sales to Exempt Organizations	333,000	277,000
Farm Chemicals (Includes Feed and Seed) Exemption	267,000	255,000
Manufacturing and Assembling Machinery and Equipment Exemption	204,000	168,000
Biodiesel Discount and Exemption	132,700	144,000
Gasohol Discount	146,100	136,000
Retailer's Discount	124,500	131,000
Rolling Stock Exemption	76,100	87,000
Farm Machinery and Equipment Exemption	71,000	81,000
Sales of Vehicles to Automobile Rentors Exemption	45,600	49,000
Sales of Motor Vehicles to Non-Residents Exemption ⁵	39,900	43,500
Manufacturer's Purchase Credit	34,539	36,000
Designated Tangible Personal Property within Enterprise Zone Exemption	18,608	21,108
Building Materials Within Enterprise Zone, River Edge Redevelopment Zone, or		
Intermodal Terminal Facility Redevelopment Project Exemption	23,899	18,753
Graphic Arts Machinery and Equipment Exemption	10,200	10,000
Newsprint and Ink to Newspapers and Magazines Exemption	32,000	9,800
All Other ⁶	17,060	13,210
Total Impact	\$ 3,502,206	\$ 3,554,371

¹ Includes subtractions for a variety of items, many of which (interest expenses, job training contributions, acceleration of life insurance benefits for a terminal illness, Persian Gulf War bonuses, medical care savings accounts, college savings accounts, self-employed health insurance, Roth IRA conversions, compensation of Nazi victims, nonsalary ride sharing compensation, and amounts awarded for wrongful imprisonment) are tax expenditures.

² This exemption was in the "Other" category for fiscal year 2013.

³ Includes the Research and Development credit; Film Production Services credit; Enterprise Zone and River Edge Redevelopment Zone Investment credit; High Impact Business investment credit; Affordable Housing Donation credit; Veterans Job credit; Ex-Felon Jobs credit; Student-Assistance Contribution credit; TECH-PREP Youth Vocational Programs credit; and Dependent Care Assistance Program Tax credit.

⁴ Beginning in fiscal year 2013, this expenditure applies only to motor vehicles. The Department of Revenue no longer has data to estimate the non-motor vehicle share.

⁵ This exemption is given only to buyers whose home state extends the same exemption to Illinois residents. Thus, Illinois taxes the full amount of out-of-state sales when an Illinois resident brings a vehicle back to register. In that way, Illinois receives some compensation for this tax expenditure in a way that it does not for others.

⁶ Includes Interim Use Prior to Sale Exemption; the High Impact Business Building Materials Exemption; the Legal Tender, Medallions, and Bullion Exemption; the High Impact Business Designated Tangible Personal Property Exemption; the Majority Blended Ethanol Exemption; and the Property Acquired by Non-Residents before Relocating to Illinois Exemption.

TAX EXPENDITURES BY REVENUE SOURCE

(IN THOUSANDS)

Revenue Source and Annual Receipts: Corporate Income Tax

Expenditure:	FY 13	FY 14
Economic Development for a Growing Economy Tax Credit	45,085	58,873
Research and Development Credit	30,696	57,407
Film Production Services Credit	18,753	44,858
Illinois Net Operating Loss Deduction	0	34,084
Enterprise Zone Investment Credit	17,928	19,237
Foreign Insurer Rate Reduction	14,065	13,091
All Other 1299-D Credits	0	9,424
Affordable Housing Donations	8,484	7,149
Employee Child Care Tax Credit	682	1,741
Enterprise Zone and River Edge Redevelopment Zone Investment Credit	0	632
Angel Investment Credit	0	494
Other Schedule M Subtractions	1,095	411
High Economic Impact Business Dividend Subtraction	93	333
High Economic Impact Business Investment Credit	0	162
Veterans Jobs Credit	149	140
Interest on Certain Obligations of Illinois State and Local Government	234	60
Enterprise Zone and River Edge Redevelopment Zone Dividend, Interest and Charitable Contribution Subtractions	1,588	0
Job Training Contribution Subtraction	24	0
Foreign Dividend Subtraction ⁷	0	0
Total Impact	\$ 138,876	\$ 248,096

⁷ The Foreign Dividend Subtraction was incorrectly cited as a state expenditure in the FY13 report: all FY13 data has been removed from the affected funds.

Revenue Source and Annual Receipts: Hospital Provider Assessment

Expenditure:	FY 13	FY 14
Hospital Provider Exemption	\$ 173,200	\$ 184,600
Total Impact	\$ 173,200	\$ 184,600

Revenue Source and Annual Receipts: Motor Fuel Taxes

Expenditure:	FY 13	FY 14
Sales for Use Other Than in Motor Vehicles Exemption	\$ 113,902	\$ 166,700
Timely Filing and Full Payment Discount	18,872	13,883
Municipal Corporation or Private Utility Local Transportation System Exemption	6,450	6,650
Aviation Purposes Exemption	41	42
Total Impact	\$ 139,265	\$ 187,275

Revenue Source and Annual Receipts: Insurance Retaliatory Tax

Expenditure:	FY 13	FY 14
Privilege Tax Offset	\$ 0	\$ 75,669
Replacement Income Tax Credit	26,861	29,422
Fire Department Tax Credit	14,490	15,027
Fire Marshal Tax Offset	10,982	11,893
Financial Regulation Fee Offset	0	8,994
Policy Form Filings	0	621
Other	0	503
Total Impact	\$ 52,333	\$ 142,129

Revenue Source and Annual Receipts: Gas Revenue Tax

Expenditure:	FY 13	FY 14
Enterprise Zone and Foreign Trade Zone Exemption	\$ 13,929	\$ 17,212
Gas Used in Production of Electric Energy	16,132	11,045
Gas Used in Liquefaction Process	7,000	10,269
Gas Used in Petroleum Refinery Operation	8,273	8,046
Gas Used in Production of Fertilizer	2,687	2,826
Cost of Collection Discount (Gas Use Tax)	704	801
High Impact Business Exemption	652	647
Total Impact	\$ 49,377	\$ 50,846

TAX EXPENDITURES BY REVENUE SOURCE

(IN THOUSANDS)

Revenue Source and Annual Receipts: Electricity Excise Tax

Expenditure:	FY 13	FY 14
Enterprise Zone and Foreign Trade Zone Exemption	\$ 23,572	\$ 22,640
High Impact Business Electricity Excise Tax Exemption	1,897	1,127
Purchase of Electricity Generated by Solid Waste Energy Facility Credit	126	0
Total Impact	\$ 25,595	\$ 23,767

Revenue Source and Annual Receipts: Vehicle Use Tax

Expenditure:	FY 13	FY 14
Rolling Stock Exemption	\$ 5,010	\$ 14,500
Government, Charitable, Educational, Religious Entities Exemption	3,610	6,240
Family Member Preferential Tax Rate	3,480	3,267
Out-of-State Resident Exemption	1,090	2,300
Farm Implement - Ready Mix Exemption	1,060	1,000
Surviving Spouse Exemption	140	269
Estate Gift to Beneficiary Preferential Tax Rate	173	153
Business Reorganization Preferential Tax Rate	49	48
Total Impact	\$ 14,612	\$ 27,777

Revenue Source and Annual Receipts: Insurance Privilege Tax

Expenditure:	FY 13	FY 14
Fire Department Tax Credit	\$ 14,439	\$ 16,193
New Markets Development Program	5,718	12,007
Replacement Income Tax Credit	1,540	1,844
Total Impact	\$ 21,697	\$ 30,044

Revenue Source and Annual Receipts: Annual Reports of Corporations

Expenditure:	FY 13	FY 14
Two Million Dollar Cap on Franchise Tax for Corporations	\$ 19,368	\$ 24,885
Total Impact	\$ 19,368	\$ 24,885

Revenue Source and Annual Receipts: Motor Vehicle Registration (1st Division)

Expenditure:	FY 13	FY 14
Senior Citizen Plate Renewal Reduction	\$ 11,657	\$ 10,193
Municipality Owned Passenger Vehicle Exemption	2,712	3,088
Charitable Organization Vehicle Exemption	209	2,732
Disabled Veteran Vehicle Registration Exemption	395	409
Drivers Education Vehicles	9	195
X-POW Vehicle Registration Exemption	36	33
Sheriff Plates	31	10
Total Impact	\$ 15,049	\$ 16,660

Revenue Source and Annual Receipts: Underground Storage Tank Tax

Expenditure:	FY 13	FY 14
Airport Exemption	\$ 12,217	\$ 12,546
Rail Carrier Exemption	3,063	3,145
Timely Filing and Full Payment Discount	1,153	1,184
Exemption for Ships, Barges & Vessels Conducting Interstate Commerce on Border Rivers	595	611
Liquefied Propane Gas Exemption	28	29
Total Impact	\$ 17,056	\$ 17,515

Revenue Source and Annual Receipts: Hotel Operators' Occupation and Use Tax

Expenditure:	FY 13	FY 14
Permanent Residents Exemption	\$ 11,800	\$ 12,100
Cost of Collection Discount	4,400	7,120
Total Impact	\$ 16,200	\$ 19,220

TAX EXPENDITURES BY REVENUE SOURCE

(IN THOUSANDS)

Revenue Source and Annual Receipts: Telecommunications Excise Tax

Expenditure:	FY 13	FY 14
Cost of Collection Discount	\$ 8,434	\$ 7,951
Enterprise Zone and Foreign Trade Zone Exemption	3,642	3,805
High Impact Business Exemption	806	679
Total Impact	\$ 12,882	\$ 12,435

Revenue Source and Annual Receipts: Cigarette and Cigarette Use Taxes

Expenditure:	FY 13	FY 14
Cost of Collection Discount	\$ 12,670	\$ 13,185
Total Impact	\$ 12,670	\$ 13,185

Revenue Source and Annual Receipts: Driver's License Four Year Renewal Fee

Expenditure:	FY 13	FY 14
Reduced Renewal Fee for Senior Citizens	\$ 5,370	\$ 5,321
Total Impact	\$ 5,370	\$ 5,321

Revenue Source and Annual Receipts: Automobile Renting Occupation and Use Tax

Expenditure:	FY 13	FY 14
Claims for Loss or Damage Deduction	\$ 1,700	\$ 1,800
Exempt Organization Rentals	1,600	1,700
Insurance Coverage Deduction	1,200	1,300
Timely Filing and Full Payment Discount	600	600
Refueling Deduction	500	500
Other/Miscellaneous Deductions	100	100
Total Impact	\$ 5,700	\$ 6,000

Revenue Source and Annual Receipts: Standard Identification Card Fee

Expenditure:	FY 13	FY 14
Duplicated/Corrected ID Senior Citizen/Handicapped	\$ 3,162	\$ 2,979
Total Impact	\$ 3,162	\$ 2,979

Revenue Source and Annual Receipts: Racing Pari-mutuel (Privilege) Tax

Expenditure:	FY 13	FY 14
Real Estate Tax Credit	\$ 3,175	\$ 3,340
Total Impact	\$ 3,175	\$ 3,340

Revenue Source and Annual Receipts: Liquor Gallonage Tax

Expenditure:	FY 13	FY 14
Cost of Collection Discount	\$ 2,293	\$ 2,288
Non-Beverage User Exemption	613	610
Sacramental Wine Exemption	20	20
Total Impact	\$ 2,926	\$ 2,918

Revenue Source and Annual Receipts: All Other

Expenditure:	FY 13	FY 14
All Other	\$ 4,998	\$ 5,154

GRAND TOTAL, IMPACT	\$ 8,589,322	\$ 9,214,237
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SUMMARY OF TAX EXPENDITURES BY AGENCY, REVENUE SOURCE AND FUND (IN THOUSANDS)

Secretary of State

Revenue Source and Annual Receipts: Motor Vehicle Registration (1st Division)

Fund Name and Code:		FY 13	FY 14
Road Fund	0011	\$ 6,966	\$ 7,620
State Police Vehicle Fund	0246	189	197
Capital Projects Fund	0694	3,804	3,970
State Construction Account Fund	0902	4,090	4,476
Park and Conservation Fund	0962	0	397

Revenue Source and Annual Receipts: Standard Identification Card Fee

Fund Name and Code:		FY 13	FY 14
General Revenue Fund	0001	\$ 2,530	\$ 2,383
Road Fund	0011	632	596

Revenue Source and Annual Receipts: Duplicated/Corrected Driver's License

Fund Name and Code:		FY 13	FY 14
Road Fund	0011	\$ 34	\$ 29
Drivers Education Fund	0031	34	29

Revenue Source and Annual Receipts: Driver's License Four Year Renewal Fee

Fund Name and Code:		FY 13	FY 14
Road Fund	0011	\$ 577	\$ 574
Drivers Education Fund	0031	576	573
Capital Projects Fund	0694	4,217	4,174

Revenue Source and Annual Receipts: Annual Reports of Corporations

Fund Name and Code:		FY 13	FY 14
General Revenue Fund	0001	\$ 18,981	\$ 24,387
Corporate Franchise Tax Refund Fund	0380	387	498

Natural Resources

Revenue Source and Annual Receipts: Fishing Licenses

Fund Name and Code:		FY 13	FY 14
Wildlife and Fish Fund	0041	\$ 1,272	\$ 1,272

Financial and Professional Regulation

Revenue Source and Annual Receipts: Boxing/Martial Arts Events Tax

Fund Name and Code:		FY 13	FY 14
General Revenue Fund	0001	\$ 50	\$ 0
General Professions Dedicated Fund	0022	\$ 0	\$ 50

SUMMARY OF TAX EXPENDITURES BY AGENCY, REVENUE SOURCE AND FUND (IN THOUSANDS)

Insurance

Revenue Source and Annual Receipts: Insurance Privilege Tax

Fund Name and Code:			FY 13		FY 14
General Revenue Fund	0001	\$	21,697	\$	30,044

Revenue Source and Annual Receipts: Retaliatory Tax

Fund Name and Code:			FY 13		FY 14
General Revenue Fund	0001	\$	41,351	\$	130,236
Fire Prevention Fund	0047	\$	10,982	\$	11,893

Healthcare and Family Services

Revenue Source and Annual Receipts: Hospital Provider Assessment

Fund Name and Code:			FY 13		FY 14
Hospital Provider Fund	0346	\$	173,200	\$	184,600

Public Health

Revenue Source and Annual Receipts: Health Care Facility Permit Application Fee

Fund Name and Code:			FY 13		FY 14
Illinois Health Facilities Planning Fund	0238	\$	1,712	\$	1,828

Revenue Source and Annual Receipts: Vital Records Fees

Fund Name and Code:			FY 13		FY 14
General Revenue Fund	0001	\$	19	\$	19

Revenue Source and Annual Receipts: Metabolic Screening and Treatment Fee

Fund Name and Code:			FY 13		FY 14
Metabolic Screening and Treatment Fund	0920	\$	273	\$	276

Revenue Source and Annual Receipts: Private Sewage Fee

Fund Name and Code:			FY 13		FY 14
Private Sewage Disposal Program Fund	0790	\$	16	\$	31

Revenue Source and Annual Receipts: Pesticide Control Fee

Fund Name and Code:			FY 13		FY 14
Pesticide Control Fund	0576	\$	11	\$	4

SUMMARY OF TAX EXPENDITURES BY AGENCY, REVENUE SOURCE AND FUND (IN THOUSANDS)

Public Health (Continued)

Revenue Source and Annual Receipts: Recreational Area Fee

Fund Name and Code:			FY 13		FY 14
General Revenue Fund	0001	\$	38	\$	38

Revenue Source and Annual Receipts: Swimming Pool and Bathing Beach Fee

Fund Name and Code:			FY 13		FY 14
Facility Licensing Fund	0118	\$	311	\$	343

Revenue Source and Annual Receipts: Long Term Care Facility Fee

Fund Name and Code:			FY 13		FY 14
Long Term Care Monitor/Receiver Fund	0285	\$	150	\$	155

Revenue Source and Annual Receipts: Childhood Lead Screening Fee

Fund Name and Code:			FY 13		FY 14
Lead Poisoning, Screening, Prevention and Abatement Fund	0360	\$	80	\$	77

Revenue Source and Annual Receipts: Youth Camp License Application Fee

Fund Name and Code:			FY 13		FY 14
General Revenue Fund	0001	\$	1	\$	0

Revenue Source and Annual Receipts: Water Pump Installation Contractor Fee

Fund Name and Code:			FY 13		FY 14
Public Health Water Permit Fund	0256	\$	6	\$	6

Revenue Source and Annual Receipts: Environmental Lead License Application Fee

Fund Name and Code:			FY 13		FY 14
Lead Poisoning, Screening, Prevention and Abatement Fund	0360	\$	5	\$	8

Revenue Source and Annual Receipts: Salvage Warehouse and Salvage Warehouse Store Act

Fund Name and Code:			FY 13		FY 14
General Revenue Fund	0001	\$	3	\$	3

Revenue Source and Annual Receipts: Asbestos Abatement License Fee

Fund Name and Code:			FY 13		FY 14
Illinois School Asbestos Abatement Fund	0175	\$	2	\$	2

SUMMARY OF TAX EXPENDITURES BY AGENCY, REVENUE SOURCE AND FUND (IN THOUSANDS)

Public Health (Concluded)

Revenue Source and Annual Receipts: Plan Review Fee - LTC Facilities

Fund Name and Code:		FY 13	FY 14
Health Facility Plan Review Fund	0524	\$ 184	\$ 100

Revenue

Revenue Source and Annual Receipts: Sales and Use Tax

Fund Name and Code:		FY 13	FY 14
General Revenue Fund	0001	\$ 2,626,551	\$ 2,665,179
General Revenue - Common School Special Account Fund	0005	875,655	889,192

Revenue Source and Annual Receipts: Individual Income Tax

Fund Name and Code:		FY 13	FY 14
General Revenue Fund	0001	\$ 3,642,302	\$ 3,889,067
Education Assistance Fund	0007	286,826	306,258
Income Tax Refund Fund	0278	424,477	440,395

Revenue Source and Annual Receipts: Corporate Income Tax

Fund Name and Code:		FY 13	FY 14
General Revenue Fund	0001	\$ 106,210	\$ 199,175
Education Assistance Fund	0007	8,363	15,675
Income Tax Refund Fund	0278	24,303	33,246

Revenue Source and Annual Receipts: Automobile Renting Occupation and Use Tax

Fund Name and Code:		FY 13	FY 14
General Revenue Fund	0001	\$ 5,700	\$ 6,000

Revenue Source and Annual Receipts: Cigarette and Cigarette Use Taxes

Fund Name and Code:		FY 13	FY 14
School Infrastructure Fund	0568	\$ 6,272	\$ 6,527
Healthcare Provider Relief Fund	0793	\$ 6,398	\$ 6,658

Revenue Source and Annual Receipts: Hotel Operators' Occupation and Use Tax

Fund Name and Code:		FY 13	FY 14
General Revenue Fund	0001	\$ 6,125	\$ 7,265
International Tourism Fund	0621	825	990
Build Illinois Fund	0960	8,000	9,480
Local Tourism Fund	0969	1,250	1,485

SUMMARY OF TAX EXPENDITURES BY AGENCY, REVENUE SOURCE AND FUND (IN THOUSANDS)

Revenue (Concluded)

Revenue Source and Annual Receipts: Liquor Gallonage Tax

Fund Name and Code:		FY 13		FY 14
General Revenue Fund	0001	\$ 1,724	\$	1,720
Capital Projects Fund	0694	1,202		1,198

Revenue Source and Annual Receipts: Underground Storage Tank Tax

Fund Name and Code:		FY 13		FY 14
Underground Storage Tank Fund	0072	\$ 17,056	\$	17,515

Revenue Source and Annual Receipts: Motor Fuel Taxes

Fund Name and Code:		FY 13		FY 14
Motor Fuel Tax - State Fund	0012	\$ 139,265	\$	187,275

Revenue Source and Annual Receipts: Electricity Excise Tax

Fund Name and Code:		FY 13		FY 14
General Revenue Fund	0001	\$ 24,827	\$	23,054
Public Utility Fund	0059	768		713

Revenue Source and Annual Receipts: Gas Revenue Tax

Fund Name and Code:		FY 13		FY 14
General Revenue Fund	0001	\$ 49,377	\$	50,846

Revenue Source and Annual Receipts: Telecommunications Excise Tax

Fund Name and Code:		FY 13		FY 14
General Revenue Fund	0001	\$ 9,202	\$	8,881
Common School Fund	0412	1,840		1,777
School Infrastructure Fund	0568	1,840		1,777

Revenue Source and Annual Receipts: Vehicle Use Tax

Fund Name and Code:		FY 13		FY 14
General Revenue Fund	0001	\$ 14,612	\$	27,777

SUMMARY OF TAX EXPENDITURES BY AGENCY, REVENUE SOURCE AND FUND (IN THOUSANDS)

Commerce Commission

Revenue Source and Annual Receipts: Gross Receipts Tax (Public Utility Fund)

Fund Name and Code:			FY 13		FY 14
Public Utility Fund	0059	\$	18	\$	21

Environmental Protection Agency

Revenue Source and Annual Receipts: Sewer Construction Permit Application Fee

Fund Name and Code:			FY 13		FY 14
Environmental Protection Permit and Inspection Fund	0944	\$	130	\$	12

Revenue Source and Annual Receipts: Water Main Construction Permit Application Fee

Fund Name and Code:			FY 13		FY 14
Environmental Protection Permit and Inspection Fund	0944	\$	90	\$	200

Revenue Source and Annual Receipts: NPDES Permit Discharge Fee

Fund Name and Code:			FY 13		FY 14
Illinois Clean Water Fund	0731	\$	375	\$	487

Racing Board

Revenue Source and Annual Receipts: Horse Racing Admission Tax

Fund Name and Code:			FY 13		FY 14
Horse Racing Fund	0632		184		164

Revenue Source and Annual Receipts: Racing Pari-mutuel (Privilege) Tax

Fund Name and Code:			FY 13		FY 14
Horse Racing Fund	0632	\$	3,175	\$	3,340

GRAND TOTAL, IMPACT		\$	8,589,322	\$	9,214,237
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DETAIL OF TAX EXPENDITURES BY AGENCY, REVENUE SOURCE AND FUND (IN THOUSANDS)

Secretary of State

		FY 13	FY 14
Revenue Source and Annual Receipts: Motor Vehicle Registration (1st Division)		\$ 841,646	\$ 866,127
Expenditure: Charitable Organization Vehicle Exemption			
Fund Name and Code:		FY 13	FY 14
Road Fund	0011	\$ 103	\$ 1,309
State Police Vehicle Fund	0246	2	28
Capital Projects Fund	0694	44	569
State Construction Account Fund	0902	60	769
Park and Conservation Fund	0962	0	57
Total		\$ 209	\$ 2,732
Expenditure: Disabled Veteran Vehicle Registration Exemption			
Fund Name and Code:		FY 13	FY 14
Road Fund	0011	\$ 196	\$ 199
State Police Vehicle Fund	0246	4	4
Capital Projects Fund	0694	80	81
State Construction Account Fund	0902	115	117
Park and Conservation Fund	0962	0	8
Total		\$ 395	\$ 409
Expenditure: Drivers Education Vehicles			
Fund Name and Code:		FY 13	FY 14
Road Fund	0011	\$ 4	\$ 93
State Police Vehicle Fund	0246	0	2
Capital Projects Fund	0694	2	41
State Construction Account Fund	0902	3	55
Park and Conservation Fund	0962	0	4
Total		\$ 9	\$ 195
Expenditure: Municipality Owned Passenger Vehicle Exemption			
Fund Name and Code:		FY 13	FY 14
Road Fund	0011	\$ 1,340	\$ 1,495
State Police Vehicle Fund	0246	28	31
Capital Projects Fund	0694	557	622
State Construction Account Fund	0902	787	878
Park and Conservation Fund	0962	0	62
Total		\$ 2,712	\$ 3,088
Expenditure: Senior Citizen Plate Renewal Reduction			
Fund Name and Code:		FY 13	FY 14
Road Fund	0011	\$ 5,289	\$ 4,503
State Police Vehicle Fund	0246	155	132
Capital Projects Fund	0694	3,108	2,648
State Construction Account Fund	0902	3,105	2,645
Park and Conservation Fund	0962	0	265
Total		\$ 11,657	\$ 10,193
Expenditure: Sheriff Plates			
Fund Name and Code:		FY 13	FY 14
Road Fund	0011	\$ 16	\$ 5
State Police Vehicle Fund	0246	0	0
Capital Projects Fund	0694	6	2
State Construction Account Fund	0902	9	3
Park and Conservation Fund	0962	0	0
Total		\$ 31	\$ 10
Expenditure: X-POW Vehicle Registration Exemption			
Fund Name and Code:		FY 13	FY 14
Road Fund	0011	\$ 18	\$ 16
State Police Vehicle Fund	0246	0	0
Capital Projects Fund	0694	7	7
State Construction Account Fund	0902	11	9
Park and Conservation Fund	0962	0	1
Total		\$ 36	\$ 33
Total Tax Impact per Revenue Source		\$ 15,049	\$ 16,660
		FY 13	FY 14
Revenue Source and Annual Receipts: Standard Identification Card Fee		\$ 11,304	\$ 11,319
Expenditure: Duplicated/Corrected ID Senior Citizen/Handicapped			
Fund Name and Code:		FY 13	FY 14
General Revenue Fund	0001	\$ 2,530	\$ 2,383
Road Fund	0011	632	596
Total		\$ 3,162	\$ 2,979
Total Tax Impact per Revenue Source		\$ 3,162	\$ 2,979

DETAIL OF TAX EXPENDITURES BY AGENCY, REVENUE SOURCE AND FUND (IN THOUSANDS)

Secretary of State (Concluded)

		FY 13	FY 14
Revenue Source and Annual Receipts:	Duplicated/Corrected Driver's License	\$ 3,232	\$ 3,277
Expenditure:	Duplication of Stolen Licenses for Senior Citizens		
Fund Name and Code:		FY 13	FY 14
Road Fund	0011	\$ 34	\$ 29
Drivers Education Fund	0031	34	29
Total		\$ 68	\$ 58
Total Tax Impact per Revenue Source		\$ 68	\$ 58

		FY 13	FY 14
Revenue Source and Annual Receipts:	Driver's License Four Year Renewal Fee	\$ 50,308	\$ 50,928
Expenditure:	Reduced Renewal Fee for Senior Citizens		
Fund Name and Code:		FY 13	FY 14
Road Fund	0011	\$ 577	\$ 574
Drivers Education Fund	0031	576	573
Capital Projects Fund	0694	4,217	4,174
Total		\$ 5,370	\$ 5,321
Total Tax Impact per Revenue Source		\$ 5,370	\$ 5,321

		FY 13	FY 14
Revenue Source and Annual Receipts:	Annual Reports of Corporations	\$ 207,956	\$ 205,923
Expenditure:	Two Million Dollar Cap on Franchise Tax for Corporations		
Fund Name and Code:		FY 13	FY 14
General Revenue Fund	0001	\$ 18,981	\$ 24,387
Corporate Franchise Tax Refund Fund	0380	387	498
Total		\$ 19,368	\$ 24,885
Total Tax Impact per Revenue Source		\$ 19,368	\$ 24,885
Total Tax Impact, Secretary of State		\$ 43,017	\$ 49,903

Natural Resources

		FY 13	FY 14
Revenue Source and Annual Receipts:	Fishing Licenses	\$ 7,021	\$ 9,343
Expenditure:	Disabled, Under 16, 65 or Over, Fee Fishing Areas, Owners/Tenants Discount		
Fund Name and Code:		FY 13	FY 14
Wildlife and Fish Fund	0041	\$ 1,272	\$ 1,272
Total		\$ 1,272	\$ 1,272
Total Tax Impact per Revenue Source		\$ 1,272	\$ 1,272
Total Tax Impact, Natural Resources		\$ 1,272	\$ 1,272

Financial and Professional Regulation

		FY 13	FY 14
Revenue Source and Annual Receipts:	Boxing/Martial Arts Events Tax	\$ 132	\$ 150
Expenditure:	Gross Receipts Tax Cap		
Fund Name and Code:		FY 13	FY 14
General Revenue Fund	0001	\$ 50	\$ 0
General Professions Dedicated Fund	0022	0	50
Total		\$ 50	\$ 50
Total Tax Impact per Revenue Source		\$ 50	\$ 50
Total Tax Impact, Financial and Professional Regulation		\$ 50	\$ 50

Insurance

		FY 13	FY 14
Revenue Source and Annual Receipts:	Insurance Privilege Tax	\$ 174,477	\$ 171,391
Expenditure:	Fire Department Tax Credit		
Fund Name and Code:		FY 13	FY 14
General Revenue Fund	0001	\$ 14,439	\$ 16,193
Total		\$ 14,439	\$ 16,193
Expenditure:	Illinois New Markets Tax Credit		
Fund Name and Code:		FY 13	FY 14
General Revenue Fund	0001	\$ 5,718	\$ 12,007
Total		\$ 5,718	\$ 12,007

DETAIL OF TAX EXPENDITURES BY AGENCY, REVENUE SOURCE AND FUND (IN THOUSANDS)

Insurance (Concluded)

Revenue Source and Annual Receipts: Insurance Privilege Tax (Concluded)				
Expenditure: Replacement Income Tax Credit				
Fund Name and Code:			FY 13	FY 14
General Revenue Fund	0001	\$	1,540	1,844
Total		\$	1,540	1,844
Total Tax Impact per Revenue Source		\$	21,697	30,044
			FY 13	FY 14
Revenue Source and Annual Receipts: Retaliatory Tax				
		\$	122,501	122,934
Expenditure: Financial Regulation Fee Offset				
Fund Name and Code:			FY 13	FY 14
General Revenue Fund	0001	\$	0	8,994
Total		\$	0	8,994
Expenditure: Fire Department Tax Credit				
Fund Name and Code:			FY 13	FY 14
General Revenue Fund	0001	\$	14,490	15,027
Total		\$	14,490	15,027
Expenditure: Other				
Fund Name and Code:			FY 13	FY 14
General Revenue Fund	0001	\$	0	503
Total		\$	0	503
Expenditure: Policy Form Filings				
Fund Name and Code:			FY 13	FY 14
General Revenue Fund	0001	\$	0	621
Total		\$	0	621
Expenditure: Privilege Tax Offset				
Fund Name and Code:			FY 13	FY 14
General Revenue Fund	0001	\$	0	75,669
Total		\$	0	75,669
Expenditure: Replacement Income Tax Credit				
Fund Name and Code:			FY 13	FY 14
General Revenue Fund	0001	\$	26,861	29,422
Total		\$	26,861	29,422
Expenditure: Fire Marshal Tax Offset				
Fund Name and Code:			FY 13	FY 14
Fire Prevention Fund	0047	\$	10,982	11,893
Total		\$	10,982	11,893
Total Tax Impact per Revenue Source		\$	52,333	142,129
Total Tax Impact, Insurance		\$	74,030	172,173

Healthcare and Family Services

			FY 13	FY 14
Revenue Source and Annual Receipts: Hospital Provider Assessment				
		\$	892,941	1,486,329
Expenditure: Hospital Provider Exemption				
Fund Name and Code:			FY 13	FY 14
Hospital Provider Fund	0346	\$	173,200	184,600
Total		\$	173,200	184,600
Total Tax Impact per Revenue Source		\$	173,200	184,600
			FY 13	FY 14
Total Tax Impact, Healthcare and Family Services				
		\$	173,200	184,600

Public Health

			FY 13	FY 14
Revenue Source and Annual Receipts: Health Care Facility Permit Application Fee				
		\$	2,298	2,085
Expenditure: Natural Disaster and Other Emergency Waiver				
Fund Name and Code:			FY 13	FY 14
Illinois Health Facilities Planning Fund	0238	\$	1,712	1,828
Total		\$	1,712	1,828
Total Tax Impact per Revenue Source		\$	1,712	1,828

DETAIL OF TAX EXPENDITURES BY AGENCY, REVENUE SOURCE AND FUND (IN THOUSANDS)

Public Health (Continued)

		FY 13	FY 14
Revenue Source and Annual Receipts: Vital Records Fees		\$ 986	\$ 898
Expenditure: Groups Chartered by U.S. Congress Exemption			
Fund Name and Code:		FY 13	FY 14
General Revenue Fund	0001	\$ 2	\$ 2
Total		\$ 2	\$ 2
Expenditure: Illinois Adoption Registry and Medical Information Exchange			
Fund Name and Code:		FY 13	FY 14
General Revenue Fund	0001	\$ 15	\$ 15
Total		\$ 15	\$ 15
Expenditure: U.S. Veterans Administration Exemption			
Fund Name and Code:		FY 13	FY 14
General Revenue Fund	0001	\$ 2	\$ 2
Total		\$ 2	\$ 2
Total Tax Impact per Revenue Source		\$ 19	\$ 19
		FY 13	FY 14
Revenue Source and Annual Receipts: Metabolic Screening and Treatment Fee		\$ 14,819	\$ 14,831
Expenditure: State Agency Lab Exemption			
Fund Name and Code:		FY 13	FY 14
Metabolic Screening and Treatment Fund	0920	\$ 273	\$ 276
Total		\$ 273	\$ 276
Total Tax Impact per Revenue Source		\$ 273	\$ 276
		FY 13	FY 14
Revenue Source and Annual Receipts: Private Sewage Fee		\$ 110	\$ 232
Expenditure: Plumbing License Exemption			
Fund Name and Code:		FY 13	FY 14
Private Sewage Disposal Program Fund	0790	\$ 16	\$ 31
Total		\$ 16	\$ 31
Total Tax Impact per Revenue Source		\$ 16	\$ 31
		FY 13	FY 14
Revenue Source and Annual Receipts: Pesticide Control Fee		\$ 280	\$ 253
Expenditure: State Agency Employee Exemption			
Fund Name and Code:		FY 13	FY 14
Pesticide Control Fund	0576	\$ 11	\$ 4
Total		\$ 11	\$ 4
Total Tax Impact per Revenue Source		\$ 11	\$ 4
		FY 13	FY 14
Revenue Source and Annual Receipts: Recreational Area Fee		\$ 36	\$ 38
Expenditure: Not-for-Profit and Governmental Agency Construction Application Fee Waiver			
Fund Name and Code:		FY 13	FY 14
General Revenue Fund	0001	\$ 1	\$ 1
Total		\$ 1	\$ 1
Expenditure: Not-for-Profit Organization and Governmental Agency License Renewal Fee Waiver			
Fund Name and Code:		FY 13	FY 14
General Revenue Fund	0001	\$ 36	\$ 36
Total		\$ 36	\$ 36
Expenditure: Not-for-Profit Organization and Governmental Agency Original License Application Fee Waiver			
Fund Name and Code:		FY 13	FY 14
General Revenue Fund	0001	\$ 1	\$ 1
Total		\$ 1	\$ 1
Total Tax Impact per Revenue Source		\$ 38	\$ 38
		FY 13	FY 14
Revenue Source and Annual Receipts: Swimming Pool and Bathing Beach Fee		\$ 1,130	\$ 1,624
Expenditure: Tax Exempt 501(c)(3) and Governmental Facility Construction Application Fee Waiver			
Fund Name and Code:		FY 13	FY 14
Facility Licensing Fund	0118	\$ 27	\$ 5
Total		\$ 27	\$ 5

DETAIL OF TAX EXPENDITURES BY AGENCY, REVENUE SOURCE AND FUND (IN THOUSANDS)

Public Health (Continued)

Revenue Source and Annual Receipts: Swimming Pool and Bathing Beach Fee (Concluded)

Expenditure: Tax Exempt 501(c)(3) and Governmental Facility License Renewal Fee Waiver

Fund Name and Code:			FY 13	FY 14
Facility Licensing Fund		0118	277	31
Total			\$ 277	\$ 31

Expenditure: Tax Exempt 501(c)(3) and Governmental Facility Original License Fee Waiver

Fund Name and Code:			FY 13	FY 14
Facility Licensing Fund		0118	7	277
Total			\$ 7	\$ 277

Expenditure: Tax Exempt 501(c)(3) and Governmental Facility- Inspection Fee Waiver

Fund Name and Code:			FY 13	FY 14
Facility Licensing Fund		0118	0	30
Total			\$ 0	\$ 30

Total Tax Impact per Revenue Source			\$ 311	\$ 343
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			FY 13	FY 14
Revenue Source and Annual Receipts: Long Term Care Facility Fee			\$ 1,783	\$ 1,622

Expenditure: Facility Fee Exemption

Fund Name and Code:			FY 13	FY 14
Long Term Care Monitor/Receiver Fund		0285	\$ 150	\$ 155
Total			\$ 150	\$ 155

Total Tax Impact per Revenue Source			\$ 150	\$ 155
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			FY 13	FY 14
Revenue Source and Annual Receipts: Childhood Lead Screening Fee			\$ 1,101	\$ 1,092

Expenditure: Low Income Family Waiver

Fund Name and Code:			FY 13	FY 14
Lead Poisoning, Screening, Prevention and Abatement Fund		0360	\$ 80	\$ 77
Total			\$ 80	\$ 77

Total Tax Impact per Revenue Source			\$ 80	\$ 77
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			FY 13	FY 14
Revenue Source and Annual Receipts: Youth Camp License Application Fee			\$ 2	\$ 2

Expenditure: Governmental Agency Waiver

Fund Name and Code:			FY 13	FY 14
General Revenue Fund		0001	\$ 1	\$ 0
Total			\$ 1	\$ 0

Total Tax Impact per Revenue Source			\$ 1	\$ 0
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			FY 13	FY 14
Revenue Source and Annual Receipts: Water Pump Installation Contractor Fee			\$ 15	\$ 18

Expenditure: Licensed Plumber Exemption

Fund Name and Code:			FY 13	FY 14
Public Health Water Permit Fund		0256	6	6
Total			\$ 6	\$ 6

Total Tax Impact per Revenue Source			\$ 6	\$ 6
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			FY 13	FY 14
Revenue Source and Annual Receipts: Environmental Lead License Application Fee			\$ 308	\$ 315

Expenditure: Department of Public Health and Delegate Agency Employee Waiver

Fund Name and Code:			FY 13	FY 14
Lead Poisoning, Screening, Prevention and Abatement Fund		0360	\$ 5	\$ 8
Total			\$ 5	\$ 8

Total Tax Impact per Revenue Source			\$ 5	\$ 8
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			FY 13	FY 14
Revenue Source and Annual Receipts: Salvage Warehouse & Salvage Warehouse Store Act			\$ 12	\$ 12

Expenditure: Not-for-Profit Organization Waiver

Fund Name and Code:			FY 13	FY 14
General Revenue Fund		0001	\$ 3	\$ 3
Total			\$ 3	\$ 3

Total Tax Impact per Revenue Source			\$ 3	\$ 3
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DETAIL OF TAX EXPENDITURES BY AGENCY, REVENUE SOURCE AND FUND (IN THOUSANDS)

Public Health (Concluded)

		FY 13	FY 14
Revenue Source and Annual Receipts:	Asbestos Abatement License Fee	\$ 503	\$ 469
Expenditure: Governmental Employee Waiver			
Fund Name and Code:		FY 13	FY 14
	Illinois School Asbestos Abatement Fund	0175 \$ 2	\$ 2
Total		\$ 2	\$ 2
Total Tax Impact per Revenue Source		\$ 2	\$ 2

		FY 13	FY 14
Revenue Source and Annual Receipts:	Plan Review Fee - LTC Facilities	\$ 354	\$ 405
Expenditure: Projects Costing Less than \$100,000 Waiver			
Fund Name and Code:		FY 13	FY 14
	Health Facility Plan Review Fund	0524 \$ 184	\$ 100
Total		\$ 184	\$ 100
Total Tax Impact per Revenue Source		\$ 184	\$ 100
Total Tax Impact, Public Health		\$ 2,811	\$ 2,890

Revenue

		FY 13	FY 14
Revenue Source and Annual Receipts:	Sales and Use Tax	\$ 7,876,977	\$ 8,188,983
Expenditure: Biodiesel Discount and Exemption			
Fund Name and Code:		FY 13	FY 14
	General Revenue Fund	0001 \$ 99,500	\$ 108,000
	General Revenue - Common School Special Account Fund	0005 33,200	36,000
Total		\$ 132,700	\$ 144,000
Expenditure: Building Materials within Enterprise Zone, River Edge Redev. Zone, and Intermodal Terminal Facility Redev. Project Exemption			
Fund Name and Code:		FY 13	FY 14
	General Revenue Fund	0001 \$ 17,924	\$ 14,065
	General Revenue - Common School Special Account Fund	0005 5,975	4,688
Total		\$ 23,899	\$ 18,753
Expenditure: Designated Tangible Personal Property within Enterprise Zone Exemption ¹			
Fund Name and Code:		FY 13	FY 14
	General Revenue Fund	0001 \$ 13,956	\$ 15,831
	General Revenue - Common School Special Account Fund	0005 4,652	5,277
Total		\$ 18,608	\$ 21,108
Expenditure: Farm Chemicals (Includes Feed and Seed) Exemption ²			
Fund Name and Code:		FY 13	FY 14
	General Revenue Fund	0001 \$ 200,000	\$ 191,000
	General Revenue - Common School Special Account Fund	0005 67,000	64,000
Total		\$ 267,000	\$ 255,000
Expenditure: Farm Machinery and Equipment Exemption			
Fund Name and Code:		FY 13	FY 14
	General Revenue Fund	0001 \$ 53,200	\$ 61,000
	General Revenue - Common School Special Account Fund	0005 17,800	20,000
Total		\$ 71,000	\$ 81,000
Expenditure: Food, Drugs, and Medical Appliances Rate Reduction			
Fund Name and Code:		FY 13	FY 14
	General Revenue Fund	0001 \$ 1,233,000	\$ 1,295,000
	General Revenue - Common School Special Account Fund	0005 411,000	432,000
Total		\$ 1,644,000	\$ 1,727,000
Expenditure: Gasohol Discount			
Fund Name and Code:		FY 13	FY 14
	General Revenue Fund	0001 \$ 109,600	\$ 102,000
	General Revenue - Common School Special Account Fund	0005 36,500	34,000
Total		\$ 146,100	\$ 136,000

¹ Tangible personal property used or consumed within an enterprise zone in the process of manufacturing or assembling or by producers of graphic arts.

² Includes race horses, semen for the artificial insemination of livestock, and birds at game birding and hunting preserves.

DETAIL OF TAX EXPENDITURES BY AGENCY, REVENUE SOURCE AND FUND (IN THOUSANDS)

Revenue (Continued)

Revenue Source and Annual Receipts: Sales and Use Tax (Continued)

Expenditure: Graphic Arts Machinery and Equipment Exemption				
Fund Name and Code:		FY 13	FY 14	
General Revenue Fund	0001	\$ 7,600	\$ 7,500	
General Revenue - Common School Special Account Fund	0005	2,600	2,500	
Total		\$ 10,200	\$ 10,000	
Expenditure: High Impact Business Building Materials Exemption				
Fund Name and Code:		FY 13	FY 14	
General Revenue Fund	0001	\$ 3,524	\$ 2,191	
General Revenue - Common School Special Account Fund	0005	1,175	730	
Total		\$ 4,699	\$ 2,921	
Expenditure: High Impact Business Designated Tangible Personal Property Exemption				
Fund Name and Code:		FY 13	FY 14	
General Revenue Fund	0001	\$ 1,733	\$ 1,792	
General Revenue - Common School Special Account Fund	0005	578	597	
Total		\$ 2,311	\$ 2,389	
Expenditure: Interim Use Prior to Sale Exemption				
Fund Name and Code:		FY 13	FY 14	
General Revenue Fund	0001	\$ 3,900	\$ 2,500	
General Revenue - Common School Special Account Fund	0005	1,300	800	
Total		\$ 5,200	\$ 3,300	
Expenditure: Legal Tender, Medallions, and Bullion Exemption				
Fund Name and Code:		FY 13	FY 14	
General Revenue Fund	0001	\$ 1,600	\$ 1,900	
General Revenue - Common School Special Account Fund	0005	600	600	
Total		\$ 2,200	\$ 2,500	
Expenditure: Majority Blended Ethanol				
Fund Name and Code:		FY 13	FY 14	
General Revenue Fund	0001	\$ 1,300	\$ 1,000	
General Revenue - Common School Special Account Fund	0005	400	300	
Total		\$ 1,700	\$ 1,300	
Expenditure: Manufacturer's Purchase Credit				
Fund Name and Code:		FY 13	FY 14	
General Revenue Fund	0001	\$ 25,904	\$ 27,000	
General Revenue - Common School Special Account Fund	0005	8,635	9,000	
Total		\$ 34,539	\$ 36,000	
Expenditure: Manufacturing and Assembling Machinery and Equipment Exemption³				
Fund Name and Code:		FY 13	FY 14	
General Revenue Fund	0001	\$ 153,000	\$ 126,000	
General Revenue - Common School Special Account Fund	0005	51,000	42,000	
Total		\$ 204,000	\$ 168,000	
Expenditure: Newsprint and Ink to Newspapers and Magazines Exemption				
Fund Name and Code:		FY 13	FY 14	
General Revenue Fund	0001	\$ 24,000	\$ 7,300	
General Revenue - Common School Special Account Fund	0005	8,000	2,500	
Total		\$ 32,000	\$ 9,800	
Expenditure: Property Acquired by Non-Resident before Relocating in Illinois Exemption⁴				
Fund Name and Code:		FY 13	FY 14	
General Revenue Fund	0001	\$ 710	\$ 600	
General Revenue - Common School Special Account Fund	0005	240	200	
Total		\$ 950	\$ 800	
Expenditure: Retailer's Discount				
Fund Name and Code:		FY 13	FY 14	
General Revenue Fund	0001	\$ 93,400	\$ 98,000	
General Revenue - Common School Special Account Fund	0005	31,100	33,000	
Total		\$ 124,500	\$ 131,000	
Expenditure: Rolling Stock Exemption				
Fund Name and Code:		FY 13	FY 14	
General Revenue Fund	0001	\$ 57,100	\$ 65,000	
General Revenue - Common School Special Account Fund	0005	19,000	22,000	
Total		\$ 76,100	\$ 87,000	

³ Includes the Photo Processing Machinery and Equipment exemption.

⁴ Applies to property acquired outside Illinois by a non-resident and brought to Illinois after being used at least 3 months outside of Illinois. Tax expenditure estimate applies only to motor vehicles.

DETAIL OF TAX EXPENDITURES BY AGENCY, REVENUE SOURCE AND FUND (IN THOUSANDS)

Revenue (Continued)

Revenue Source and Annual Receipts: Sales and Use Tax (Concluded)

Expenditure: Sales of Motor Vehicles to Non-Residents Exemption⁵			
Fund Name and Code:		FY 13	FY 14
General Revenue Fund	0001	\$ 29,900	\$ 32,500
General Revenue - Common School Special Account Fund	0005	10,000	11,000
Total		\$ 39,900	\$ 43,500
Expenditure: Sales of Vehicles to Automobile Rentors Exemption⁶			
Fund Name and Code:		FY 13	FY 14
General Revenue Fund	0001	\$ 34,200	\$ 37,000
General Revenue - Common School Special Account Fund	0005	11,400	12,000
Total		\$ 45,600	\$ 49,000
Expenditure: Sales to Exempt Organizations⁷			
Fund Name and Code:		FY 13	FY 14
General Revenue Fund	0001	\$ 250,000	\$ 208,000
General Revenue - Common School Special Account Fund	0005	83,000	69,000
Total		\$ 333,000	\$ 277,000
Expenditure: Traded-In Property Exemption⁸			
Fund Name and Code:		FY 13	FY 14
General Revenue Fund	0001	\$ 211,500	\$ 260,000
General Revenue - Common School Special Account Fund	0005	70,500	87,000
Total		\$ 282,000	\$ 347,000
Total Tax Impact per Revenue Source		\$ 3,502,206	\$ 3,554,371

	FY 13	FY 14
Revenue Source and Annual Receipts: Individual Income Tax⁹	\$ 18,323,789	\$ 18,387,663

Expenditure: Additional Exemptions: Blind and Elderly			
Fund Name and Code:		FY 13	FY 14
General Revenue Fund	0001	\$ 28,969	\$ 30,273
Education Assistance Fund	0007	2,281	2,384
Income Tax Refund Fund	0278	3,376	3,428
Total		\$ 34,626	\$ 36,085
Expenditure: Affordable Housing Donations Tax Credit			
Fund Name and Code:		FY 13	FY 14
General Revenue Fund	0001	\$ 92	\$ 78
Education Assistance Fund	0007	7	6
Income Tax Refund Fund	0278	11	9
Total		\$ 110	\$ 93
Expenditure: Dependent Care Assistance Program Tax Credit			
Fund Name and Code:		FY 13	FY 14
General Revenue Fund	0001	\$ 5	\$ 15
Education Assistance Fund	0007	0	1
Income Tax Refund Fund	0278	1	2
Total		\$ 6	\$ 18
Expenditure: Earned Income Tax Credit			
Fund Name and Code:		FY 13	FY 14
General Revenue Fund	0001	\$ 135,737	\$ 194,160
Education Assistance Fund	0007	10,689	15,290
Income Tax Refund Fund	0278	15,819	21,986
Total		\$ 162,245	\$ 231,436
Expenditure: Economic Development for a Growing Economy Tax Credit			
Fund Name and Code:		FY 13	FY 14
General Revenue Fund	0001	\$ 32,580	\$ 31,680
Education Assistance Fund	0007	2,566	2,495
Income Tax Refund Fund	0278	3,797	3,587
Total		\$ 38,943	\$ 37,762

⁵ This exemption is given only to buyers whose home state extends the same exemption to Illinois residents. Thus, Illinois taxes the full amount of out-of-state sales when an Illinois resident brings a vehicle back to register. In that way, Illinois receives some compensation for this tax expenditure in a way that it does not for others.

⁶ Tax expenditure is net of Automobile Rental Tax receipts.

⁷ Sales to government bodies, organizations operated exclusively for charitable, religious, or educational purposes, not-for-profit organizations for the recreation of persons 55 or older, county fair associations, teacher sponsored student organizations, not-for-profit artistic organizations, meals for the Nutrition Programs for the Elderly, nursing home food and drugs, public service corporations for municipal convention halls, and community water supply construction items.

⁸ Beginning in fiscal year 2013, this expenditure applies only to motor vehicles. The Department of Revenue no longer has data to estimate the non-motor vehicle share.

⁹ Derived from 2013 tax year returns.

DETAIL OF TAX EXPENDITURES BY AGENCY, REVENUE SOURCE AND FUND (IN THOUSANDS)

Revenue (Continued)

Revenue Source and Annual Receipts: Individual Income Tax (Continued)

Expenditure: Education Expense Credit				
Fund Name and Code:		FY 13		FY 14
General Revenue Fund	0001	\$ 66,690	\$	68,202
Education Assistance Fund	0007	5,252		5,371
Income Tax Refund Fund	0278	7,772		7,723
Total		\$ 79,714	\$	81,296
Expenditure: Enterprise Zone and River Edge Redevelopment Zone Investment Credit				
Fund Name and Code:		FY 13		FY 14
General Revenue Fund	0001	\$ 815	\$	550
Education Assistance Fund	0007	64		43
Income Tax Refund Fund	0278	95		62
Total		\$ 974	\$	655
Expenditure: Enterprise Zone Dividends Subtraction				
Fund Name and Code:		FY 13		FY 14
General Revenue Fund	0001	\$ 2,258	\$	0
Education Assistance Fund	0007	178		0
Income Tax Refund Fund	0278	263		0
Total		\$ 2,699	\$	0
Expenditure: Ex-Felons Jobs Credit				
Fund Name and Code:		FY 13		FY 14
General Revenue Fund	0001	\$ 16	\$	34
Education Assistance Fund	0007	1		3
Income Tax Refund Fund	0278	2		4
Total		\$ 19	\$	41
Expenditure: Federally Taxed Retirement and Social Security Subtractions				
Fund Name and Code:		FY 13		FY 14
General Revenue Fund	0001	\$ 1,868,110	\$	1,919,268
Education Assistance Fund	0007	147,111		151,140
Income Tax Refund Fund	0278	217,711		217,336
Total		\$ 2,232,932	\$	2,287,744
Expenditure: Film Production Service Credit				
Fund Name and Code:		FY 13		FY 14
General Revenue Fund	0001	\$ 606	\$	58
Education Assistance Fund	0007	48		5
Income Tax Refund Fund	0278	71		7
Total		\$ 725	\$	70
Expenditure: Foreign Trade Zone Dividends Subtraction				
Fund Name and Code:		FY 13		FY 14
General Revenue Fund	0001	\$ 3,647	\$	56,992
Education Assistance Fund	0007	287		4,488
Income Tax Refund Fund	0278	425		6,454
Total		\$ 4,359	\$	67,934
Expenditure: High Impact Business Investment Credit				
Fund Name and Code:		FY 13		FY 14
General Revenue Fund	0001	\$ 147	\$	24
Education Assistance Fund	0007	12		2
Income Tax Refund Fund	0278	17		3
Total		\$ 176	\$	29
Expenditure: Military Pay Subtraction				
Fund Name and Code:		FY 13		FY 14
General Revenue Fund	0001	\$ 43,984	\$	40,295
Education Assistance Fund	0007	3,464		3,173
Income Tax Refund Fund	0278	5,126		4,563
Total		\$ 52,574	\$	48,031
Expenditure: New Markets Credit				
Fund Name and Code:		FY 13		FY 14
General Revenue Fund	0001	\$ 106	\$	0
Education Assistance Fund	0007	8		0
Income Tax Refund Fund	0278	12		0
Total		\$ 126	\$	0

DETAIL OF TAX EXPENDITURES BY AGENCY, REVENUE SOURCE AND FUND (IN THOUSANDS)

Revenue (Continued)

Revenue Source and Annual Receipts: Individual Income Tax (Concluded)

Expenditure: Other Subtractions¹⁰			
Fund Name and Code:		FY 13	FY 14
General Revenue Fund	0001	\$ 60,065	\$ 121,688
Education Assistance Fund	0007	4,730	9,583
Income Tax Refund Fund	0278	7,000	13,780
Total		\$ 71,795	\$ 145,051
Expenditure: Research and Development Credit			
Fund Name and Code:		FY 13	FY 14
General Revenue Fund	0001	\$ 11,773	\$ 3,904
Education Assistance Fund	0007	927	307
Income Tax Refund Fund	0278	1,372	442
Total		\$ 14,072	\$ 4,653
Expenditure: Standard Exemption: Taxpayers and Dependents			
Fund Name and Code:		FY 13	FY 14
General Revenue Fund	0001	\$ 928,237	\$ 958,664
Education Assistance Fund	0007	73,097	75,493
Income Tax Refund Fund	0278	108,177	108,558
Total		\$ 1,109,511	\$ 1,142,715
Expenditure: Student-Assistance Contribution Credit			
Fund Name and Code:		FY 13	FY 14
General Revenue Fund	0001	\$ 32	\$ 51
Education Assistance Fund	0007	3	4
Income Tax Refund Fund	0278	4	6
Total		\$ 39	\$ 61
Expenditure: Tax Credit for Residential Real Property Taxes			
Fund Name and Code:		FY 13	FY 14
General Revenue Fund	0001	\$ 458,307	\$ 462,866
Education Assistance Fund	0007	36,091	36,450
Income Tax Refund Fund	0278	53,411	52,414
Total		\$ 547,809	\$ 551,730
Expenditure: TECH-PREP Youth Vocational Programs			
Fund Name and Code:		FY 13	FY 14
General Revenue Fund	0001	\$ 14	\$ 31
Education Assistance Fund	0007	1	2
Income Tax Refund Fund	0278	2	4
Total		\$ 17	\$ 37
Expenditure: Veterans Jobs Credit			
Fund Name and Code:		FY 13	FY 14
General Revenue Fund	0001	\$ 112	\$ 234
Education Assistance Fund	0007	9	18
Income Tax Refund Fund	0278	13	27
Total		\$ 134	\$ 279
Total Tax Impact per Revenue Source		\$ 4,353,605	\$ 4,635,720

	FY 13	FY 14
Revenue Source and Annual Receipts: Corporate Income Tax¹¹	\$ 3,679,174	\$ 3,639,974

Expenditure: Affordable Housing Donations			
Fund Name and Code:		FY 13	FY 14
General Revenue Fund	0001	\$ 6,488	\$ 5,739
Education Assistance Fund	0007	511	452
Income Tax Refund Fund	0278	1,485	958
Total		\$ 8,484	\$ 7,149
Expenditure: All Other 1299-D Credits			
Fund Name and Code:		FY 13	FY 14
General Revenue Fund	0001	\$ 0	\$ 7,565
Education Assistance Fund	0007	0	596
Income Tax Refund Fund	0278	0	1,263
Total		\$ 0	\$ 9,424

¹⁰ Includes subtractions for a variety of items, many of which (interest expenses, job training contributions, acceleration of life insurance benefits for a terminal illness, Persian Gulf War bonuses, medical care savings accounts, college savings accounts, self-employed health insurance, Roth IRA conversions, compensation of Nazi victims, nonsalary ride sharing compensation, and amounts awarded for wrongful imprisonment) are tax expenditures.

¹¹ Derived from 2012 tax year returns.

DETAIL OF TAX EXPENDITURES BY AGENCY, REVENUE SOURCE AND FUND (IN THOUSANDS)

Revenue (Continued)

Revenue Source and Annual Receipts: Corporate Income Tax (Continued)

Expenditure: Angel Investment Credit			
Fund Name and Code:		FY 13	FY 14
General Revenue Fund	0001	\$ 0	\$ 397
Education Assistance Fund	0007	0	31
Income Tax Refund Fund	0278	0	66
Total		\$ 0	\$ 494
Expenditure: Economic Development for a Growing Economy Tax Credit			
Fund Name and Code:		FY 13	FY 14
General Revenue Fund	0001	\$ 34,480	\$ 47,262
Education Assistance Fund	0007	2,715	3,722
Income Tax Refund Fund	0278	7,890	7,889
Total		\$ 45,085	\$ 58,873
Expenditure: Employee Child Care Tax Credit			
Fund Name and Code:		FY 13	FY 14
General Revenue Fund	0001	\$ 522	\$ 1,398
Education Assistance Fund	0007	41	110
Income Tax Refund Fund	0278	119	233
Total		\$ 682	\$ 1,741
Expenditure: Enterprise Zone and River Edge Redevelopment Zone Dividend, Interest, and Charitable Contribution Subtractions¹²			
Fund Name and Code:		FY 13	FY 14
General Revenue Fund	0001	\$ 1,214	\$ 0
Education Assistance Fund	0007	96	0
Income Tax Refund Fund	0278	278	0
Total		\$ 1,588	\$ 0
Expenditure: Enterprise Zone Investment Credit			
Fund Name and Code:		FY 13	FY 14
General Revenue Fund	0001	\$ 13,711	\$ 15,443
Education Assistance Fund	0007	1,080	1,216
Income Tax Refund Fund	0278	3,137	2,578
Total		\$ 17,928	\$ 19,237
Expenditure: Film Production Services Credit			
Fund Name and Code:		FY 13	FY 14
General Revenue Fund	0001	\$ 14,342	\$ 36,011
Education Assistance Fund	0007	1,129	2,836
Income Tax Refund Fund	0278	3,282	6,011
Total		\$ 18,753	\$ 44,858
Expenditure: Foreign Dividend Subtraction¹³			
Fund Name and Code:		FY 13	FY 14
General Revenue Fund	0001	\$ 0	\$ 0
Education Assistance Fund	0007	0	0
Income Tax Refund Fund	0278	0	0
Total		\$ 0	\$ 0
Expenditure: Foreign Insurer Rate Reduction			
Fund Name and Code:		FY 13	FY 14
General Revenue Fund	0001	\$ 10,757	\$ 10,509
Education Assistance Fund	0007	847	828
Income Tax Refund Fund	0278	2,461	1,754
Total		\$ 14,065	\$ 13,091
Expenditure: High Economic Impact Business Investment Credit			
Fund Name and Code:		FY 13	FY 14
General Revenue Fund	0001	\$ 0	\$ 130
Education Assistance Fund	0007	0	10
Income Tax Refund Fund	0278	0	22
Total		\$ 0	\$ 162
Expenditure: High Economic Impact Business Dividend Subtraction			
Fund Name and Code:		FY 13	FY 14
General Revenue Fund	0001	\$ 71	\$ 267
Education Assistance Fund	0007	6	21
Income Tax Refund Fund	0278	16	45
Total		\$ 93	\$ 333

¹² This expenditure for FY 14 has been broken into separate categories.

¹³ The Foreign Dividend Subtraction was incorrectly included as a state tax expenditure in the FY13 report; all FY13 data has been removed from the affected funds.

DETAIL OF TAX EXPENDITURES BY AGENCY, REVENUE SOURCE AND FUND (IN THOUSANDS)

Revenue (Continued)

Revenue Source and Annual Receipts: Corporate Income Tax (Concluded)

Expenditure: Illinois Net Operating Loss Deduction			
Fund Name and Code:		FY 13	FY 14
General Revenue Fund	0001	\$ 0	\$ 27,362
Education Assistance Fund	0007	0	2,155
Income Tax Refund Fund	0278	0	4,567
Total		\$ 0	\$ 34,084
Expenditure: Interest on Certain Obligations of Illinois State and Local Government			
Fund Name and Code:		FY 13	FY 14
General Revenue Fund	0001	\$ 179	\$ 50
Education Assistance Fund	0007	14	3
Income Tax Refund Fund	0278	41	7
Total		\$ 234	\$ 60
Expenditure: Job Training Contribution Subtraction			
Fund Name and Code:		FY 13	FY 14
General Revenue Fund	0001	\$ 19	\$ 0
Education Assistance Fund	0007	1	0
Income Tax Refund Fund	0278	4	0
Total		\$ 24	\$ 0
Expenditure: Other Schedule M Subtractions			
Fund Name and Code:		FY 13	FY 14
General Revenue Fund	0001	\$ 837	\$ 330
Education Assistance Fund	0007	66	26
Income Tax Refund Fund	0278	192	55
Total		\$ 1,095	\$ 411
Expenditure: Research and Development Credit			
Fund Name and Code:		FY 13	FY 14
General Revenue Fund	0001	\$ 23,476	\$ 46,085
Education Assistance Fund	0007	1,848	3,629
Income Tax Refund Fund	0278	5,372	7,693
Total		\$ 30,696	\$ 57,407
Expenditure: River Edge Redevelopment Zone Investment Credit			
Fund Name and Code:		FY 13	FY 14
General Revenue Fund	0001	\$ 0	\$ 507
Education Assistance Fund	0007	0	40
Income Tax Refund Fund	0278	0	85
Total		\$ 0	\$ 632
Expenditure: Veterans Jobs Credit			
Fund Name and Code:		FY 13	FY 14
General Revenue Fund	0001	\$ 114	\$ 120
Education Assistance Fund	0007	9	0
Income Tax Refund Fund	0278	26	20
Total		\$ 149	\$ 140
Total Tax Impact per Revenue Source		\$ 138,876	\$ 248,096
		FY 13	FY 14
Revenue Source and Annual Receipts: Automobile Renting Occupation and Use Tax		\$ 35,658	\$ 37,886
Expenditure: Claims for Loss or Damage Deduction			
Fund Name and Code:		FY 13	FY 14
General Revenue Fund	0001	\$ 1,700	\$ 1,800
Total		\$ 1,700	\$ 1,800
Expenditure: Exempt Organization Rentals¹⁴			
Fund Name and Code:		FY 13	FY 14
General Revenue Fund	0001	\$ 1,600	\$ 1,700
Total		\$ 1,600	\$ 1,700
Expenditure: Insurance Coverage Deduction			
Fund Name and Code:		FY 13	FY 14
General Revenue Fund	0001	\$ 1,200	\$ 1,300
Total		\$ 1,200	\$ 1,300
Expenditure: Other/Miscellaneous Deductions			
Fund Name and Code:		FY 13	FY 14
General Revenue Fund	0001	\$ 100	\$ 100
Total		\$ 100	\$ 100

¹⁴ Includes government, charitable, religious, and not-for-profit senior citizen entities.

DETAIL OF TAX EXPENDITURES BY AGENCY, REVENUE SOURCE AND FUND (IN THOUSANDS)

Revenue (Continued)

Revenue Source and Annual Receipts: Automobile Renting and Use Tax (Concluded)

Expenditure: Refueling Deduction			
Fund Name and Code:		FY 13	FY 14
General Revenue Fund	0001	\$ 500	\$ 500
Total		\$ 500	\$ 500
Expenditure: Timely Filing and Full Payment Discount			
Fund Name and Code:		FY 13	FY 14
General Revenue Fund	0001	\$ 600	\$ 600
Total		\$ 600	\$ 600
Total Tax Impact per Revenue Source		\$ 5,700	\$ 6,000

		FY 13	FY 14
Revenue Source and Annual Receipts: Cigarette and Cigarette Use Taxes			
		\$ 813,385	\$ 823,847
Expenditure: Cost of Collection Discount			
Fund Name and Code:		FY 13	FY 14
School Infrastructure Fund	0568	\$ 6,272	\$ 6,527
Healthcare Provider Relief Fund	0793	6,398	6,658
Total		\$ 12,670	\$ 13,185
Total Tax Impact per Revenue Source		\$ 12,670	\$ 13,185

		FY 13	FY 14
Revenue Source and Annual Receipts: Hotel Operators' Occupation and Use Tax			
		\$ 221,031	\$ 227,233
Expenditure: Cost of Collection Discount			
Fund Name and Code:		FY 13	FY 14
General Revenue Fund	0001	\$ 1,660	\$ 2,685
International Tourism Fund	0621	240	390
Build Illinois Fund	0960	2,150	3,480
Local Tourism Fund	0969	350	565
Total		\$ 4,400	\$ 7,120

		FY 13	FY 14
Expenditure: Permanent Residents Exemption			
Fund Name and Code:		FY 13	FY 14
General Revenue Fund	0001	\$ 4,465	\$ 4,580
International Tourism Fund	0621	585	600
Build Illinois Fund	0960	5,850	6,000
Local Tourism Fund	0969	900	920
Total		\$ 11,800	\$ 12,100
Total Tax Impact per Revenue Source		\$ 16,200	\$ 19,220

		FY 13	FY 14
Revenue Source and Annual Receipts: Liquor Gallonage Tax			
		\$ 279,930	\$ 279,587
Expenditure: Cost of Collection Discount			
Fund Name and Code:		FY 13	FY 14
General Revenue Fund	0001	\$ 1,351	\$ 1,348
Capital Projects Fund	0694	942	940
Total		\$ 2,293	\$ 2,288

Expenditure: Non-Beverage User Exemption			
Fund Name and Code:		FY 13	FY 14
General Revenue Fund	0001	\$ 361	\$ 360
Capital Projects Fund	0694	252	250
Total		\$ 613	\$ 610

Expenditure: Sacramental Wine Exemption			
Fund Name and Code:		FY 13	FY 14
General Revenue Fund	0001	\$ 12	\$ 12
Capital Projects Fund	0694	8	8
Total		\$ 20	\$ 20
Total Tax Impact per Revenue Source		\$ 2,926	\$ 2,918

		FY 13	FY 14
Revenue Source and Annual Receipts: Underground Storage Tank Tax			
		\$ 68,644	\$ 70,512
Expenditure: Airport Exemption			
Fund Name and Code:		FY 13	FY 14
Underground Storage Tank Fund	0072	\$ 12,217	\$ 12,546
Total		\$ 12,217	\$ 12,546

DETAIL OF TAX EXPENDITURES BY AGENCY, REVENUE SOURCE AND FUND (IN THOUSANDS)

Revenue (Continued)

Revenue Source and Annual Receipts: Underground Storage Tank Tax (Concluded)				
Expenditure: Exemption for Ships, Barges, and Vessels Conducting Interstate Commerce on Border Rivers				
Fund Name and Code:			FY 13	FY 14
Underground Storage Tank Fund	0072	\$	595	611
Total		\$	595	611
Expenditure: Liquefied Propane Gas Exemption				
Fund Name and Code:			FY 13	FY 14
Underground Storage Tank Fund	0072	\$	28	29
Total		\$	28	29
Expenditure: Rail Carrier Exemption				
Fund Name and Code:			FY 13	FY 14
Underground Storage Tank Fund	0072	\$	3,063	3,145
Total		\$	3,063	3,145
Expenditure: Timely Filing and Full Payment Discount				
Fund Name and Code:			FY 13	FY 14
Underground Storage Tank Fund	0072	\$	1,153	1,184
Total		\$	1,153	1,184
Total Tax Impact per Revenue Source		\$	17,056	17,515
			FY 13	FY 14
Revenue Source and Annual Receipts: Motor Fuel Taxes		\$	1,191,188	1,223,456
Expenditure: Aviation Purposes Exemption				
Fund Name and Code:			FY 13	FY 14
Motor Fuel Tax - State Fund	0012	\$	41	42
Total		\$	41	42
Expenditure: Municipal Corporation or Private Utility Local Transportation System Exemption				
Fund Name and Code:			FY 13	FY 14
Motor Fuel Tax - State Fund	0012	\$	6,450	6,650
Total		\$	6,450	6,650
Expenditure: Sales for Use Other Than in Motor Vehicles Exemption				
Fund Name and Code:			FY 13	FY 14
Motor Fuel Tax - State Fund	0012	\$	113,902	166,700
Total		\$	113,902	166,700
Expenditure: Timely Filing and Full Payment Discount				
Fund Name and Code:			FY 13	FY 14
Motor Fuel Tax - State Fund	0012	\$	18,872	13,883
Total		\$	18,872	13,883
Total Tax Impact per Revenue Source		\$	139,265	187,275
			FY 13	FY 14
Revenue Source and Annual Receipts: Electricity Excise Tax		\$	399,950	405,942
Expenditure: Enterprise Zone and Foreign Trade Zone Exemption				
Fund Name and Code:			FY 13	FY 14
General Revenue Fund	0001	\$	22,865	21,961
Public Utility Fund	0059		707	679
Total		\$	23,572	22,640
Expenditure: High Impact Business Electricity Excise Tax Exemption				
Fund Name and Code:			FY 13	FY 14
General Revenue Fund	0001	\$	1,840	1,093
Public Utility Fund	0059		57	34
Total		\$	1,897	1,127
Expenditure: Purchase of Electricity Generated by Solid Waste Energy Facility Credit				
Fund Name and Code:			FY 13	FY 14
General Revenue Fund	0001	\$	122	0
Public Utility Fund	0059		4	0
Total		\$	126	0
Total Tax Impact per Revenue Source		\$	25,595	23,767

DETAIL OF TAX EXPENDITURES BY AGENCY, REVENUE SOURCE AND FUND (IN THOUSANDS)

Revenue (Continued)

			FY 13	FY 14
Revenue Source and Annual Receipts: Gas Revenue Tax			\$ 143,769	\$ 188,398
Expenditure: Cost of Collection Discount (Gas Use Tax)				
Fund Name and Code:			FY 13	FY 14
General Revenue Fund	0001	\$	704	801
Total		\$	704	801
Expenditure: Enterprise Zone and Foreign Trade Zone Exemption				
Fund Name and Code:			FY 13	FY 14
General Revenue Fund	0001	\$	13,929	17,212
Total		\$	13,929	17,212
Expenditure: High Impact Business Exemption				
Fund Name and Code:			FY 13	FY 14
General Revenue Fund	0001	\$	652	647
Total		\$	652	647
Expenditure: Gas Used in Liquefaction Process				
Fund Name and Code:			FY 13	FY 14
General Revenue Fund	0001	\$	7,000	10,269
Total		\$	7,000	10,269
Expenditure: Gas Used in Petroleum Refinery Operation				
Fund Name and Code:			FY 13	FY 14
General Revenue Fund	0001	\$	8,273	8,046
Total		\$	8,273	8,046
Expenditure: Gas Used in Production of Electric Energy				
Fund Name and Code:			FY 13	FY 14
General Revenue Fund	0001	\$	16,132	11,045
Total		\$	16,132	11,045
Expenditure: Gas Used in Production of Fertilizer				
Fund Name and Code:			FY 13	FY 14
General Revenue Fund	0001	\$	2,687	2,826
Total		\$	2,687	2,826
Total Tax Impact per Revenue Source			\$ 49,377	\$ 50,846
			FY 13	FY 14
Revenue Source and Annual Receipts: Telecommunications Excise Tax			\$ 573,285	\$ 492,736
Expenditure: Cost of Collection Discount				
Fund Name and Code:			FY 13	FY 14
General Revenue Fund	0001	\$	6,024	5,679
Common School Fund	0412		1,205	1,136
School Infrastructure Fund	0568		1,205	1,136
Total		\$	8,434	7,951
Expenditure: Enterprise Zone and Foreign Trade Zone Exemption				
Fund Name and Code:			FY 13	FY 14
General Revenue Fund	0001	\$	2,602	2,717
Common School Fund	0412		520	544
School Infrastructure Fund	0568		520	544
Total		\$	3,642	3,805
Expenditure: High Impact Business Exemption				
Fund Name and Code:			FY 13	FY 14
General Revenue Fund	0001	\$	576	485
Common School Fund	0412		115	97
School Infrastructure Fund	0568		115	97
Total		\$	806	679
Total Tax Impact per Revenue Source			\$ 12,882	\$ 12,435
			FY 13	FY 14
Revenue Source and Annual Receipts: Vehicle Use Tax			\$ 32,446	\$ 33,865
Expenditure: Business Reorganization Preferential Tax Rate				
Fund Name and Code:			FY 13	FY 14
General Revenue Fund	0001	\$	49	48
Total		\$	49	48

DETAIL OF TAX EXPENDITURES BY AGENCY, REVENUE SOURCE AND FUND (IN THOUSANDS)

Revenue (Concluded)

Revenue Source and Annual Receipts: Vehicle Use Tax (Concluded)

Expenditure: Estate Gift to Beneficiary Preferential Tax Rate			
Fund Name and Code:		FY 13	FY 14
General Revenue Fund	0001	\$ 173	\$ 153
Total		\$ 173	\$ 153
Expenditure: Family Member Preferential Tax Rate			
Fund Name and Code:		FY 13	FY 14
General Revenue Fund	0001	\$ 3,480	\$ 3,267
Total		\$ 3,480	\$ 3,267
Expenditure: Farm Implement Exemption - Ready Mix Exemption			
Fund Name and Code:		FY 13	FY 14
General Revenue Fund	0001	\$ 1,060	\$ 1,000
Total		\$ 1,060	\$ 1,000
Expenditure: Government, Charitable, Educational, Religious Entities Exemption			
Fund Name and Code:		FY 13	FY 14
General Revenue Fund	0001	\$ 3,610	\$ 6,240
Total		\$ 3,610	\$ 6,240
Expenditure: Out-of-State Resident Exemption			
Fund Name and Code:		FY 13	FY 14
General Revenue Fund	0001	\$ 1,090	\$ 2,300
Total		\$ 1,090	\$ 2,300
Expenditure: Rolling Stock Exemption			
Fund Name and Code:		FY 13	FY 14
General Revenue Fund	0001	\$ 5,010	\$ 14,500
Total		\$ 5,010	\$ 14,500
Expenditure: Surviving Spouse Exemption			
Fund Name and Code:		FY 13	FY 14
General Revenue Fund	0001	\$ 140	\$ 269
Total		\$ 140	\$ 269
Total Tax Impact per Revenue Source		\$ 14,612	\$ 27,777
Total Tax Impact, Revenue		\$ 8,290,970	\$ 8,799,125

Commerce Commission

		FY 13	FY 14
Revenue Source and Annual Receipts: Gross Receipts Tax (Public Utility Fund)		\$ 6,193	\$ 7,239
Expenditure: Enterprise Zone Revenue Exemption			
Fund Name and Code:		FY 13	FY 14
Public Utility Fund	0059	\$ 18	\$ 21
Total		\$ 18	\$ 21
Total Tax Impact per Revenue Source		\$ 18	\$ 21
Total Tax Impact, Commerce Commission		\$ 18	\$ 21

Environmental Protection Agency

		FY 13	FY 14
Revenue Source and Annual Receipts: Sewer Construction Permit Application Fee		\$ 331	\$ 358
Expenditure: State and Local Government Exemption			
Fund Name and Code:		FY 13	FY 14
Environmental Protection Permit and Inspection Fund	0944	\$ 130	\$ 12
Total		\$ 130	\$ 12
Total Tax Impact per Revenue Source		\$ 130	\$ 12
		FY 13	FY 14
Revenue Source and Annual Receipts: Water Main Construction Permit Application Fee		\$ 215	\$ 222
Expenditure: State and Local Government Exemption			
Fund Name and Code:		FY 13	FY 14
Environmental Protection Permit and Inspection Fund	0944	\$ 90	\$ 200
Total		\$ 90	\$ 200
Total Tax Impact per Revenue Source		\$ 90	\$ 200

DETAIL OF TAX EXPENDITURES BY AGENCY, REVENUE SOURCE AND FUND (IN THOUSANDS)

Environmental Protection Agency (Concluded)

		FY 13	FY 14
Revenue Source and Annual Receipts:	NPDES Permit Discharge Fee	\$ 16,605	\$ 16,568
Expenditure:	State Government and School District Exemption		
Fund Name and Code:		FY 13	FY 14
Illinois Clean Water Fund	0731	\$ 375	\$ 487
Total		\$ 375	\$ 487
Total Tax Impact per Revenue Source		\$ 375	\$ 487
Total Tax Impact, Environmental Protection Agency		\$ 595	\$ 699

Racing Board

		FY 13	FY 14
Revenue Source and Annual Receipts:	Admission Tax	\$ 81	\$ 81
Expenditure:	Free General Admission		
Fund Name and Code:		FY 13	FY 14
Horse Racing Fund	0632	\$ 184	\$ 164
Total		\$ 184	\$ 164
Total Tax Impact per Revenue Source		\$ 184	\$ 164
		FY 13	FY 14
Revenue Source and Annual Receipts:	Racing Pari-mutuel (Privilege) Tax	\$ 5,818	\$ 6,143
Expenditure:	Real Estate Tax Credit		
Fund Name and Code:		FY 13	FY 14
Horse Racing Fund	0632	\$ 3,175	\$ 3,340
Total		\$ 3,175	\$ 3,340
Total Tax Impact per Revenue Source		\$ 3,175	\$ 3,340
Total Tax Impact, Racing Board		\$ 3,359	\$ 3,504
GRAND TOTAL, IMPACT		\$ 8,589,322	\$ 9,214,237

TAX EXPENDITURES WHERE IMPACT WAS NOT REPORTED

Secretary of State

Revenue Source: Motor Vehicle Registration (1st Division)

Expenditure:

Congressional Medal of Honor Recipients Vehicles

Treasurer

Revenue Source: Estate and Generation Skipping Transfer Tax

Expenditure:

Exclusion Amount

Natural Resources

Revenue Source: Watercraft Registration Fee

Expenditure:

Canoe or Kayak Owned by Non-Profit Organization

Revenue Source: Camping and Beach Fees

Expenditure:

Disabled Persons, Former POWs, and Illinois Residents Over 62

Revenue Source: Inland Trout Stamp

Expenditure:

Disabled, Under 16

Revenue Source: Hunting Licenses and Permits

Expenditure:

Disabled, 65 or Over, Landowners/Tenants

Revenue Source: Sportsman License

Expenditure:

Disabled, 65 or Over, Landowners/Tenants

Revenue Source: Trapping License

Expenditure:

Owners, Bona Fide Tenants and Their Children

Revenue Source: Salmon Stamp

Expenditure:

Disabled, Under 16

Revenue Source: Habitat Stamps

Expenditure:

Under 16

Revenue Source: Waterfowl Stamps

Expenditure:

Disabled, Landowners/Tenants

TAX EXPENDITURES WHERE IMPACT WAS NOT REPORTED

Healthcare and Family Services

Revenue Source: Long Term Care Provider Assessment

Expenditure:

Long Term Care Provider - Occupied Bed Assessment Exemption

Revenue Source: Long Term Care Provider - Occupied Bed Assessment

Expenditure:

Long Term Care Provider - Occupied Bed Assessment Exemption

Revenue

Revenue Source: Sales and Use Tax

Expenditure:

Aircraft Support Center Exemption
Demonstration Use Prior to Resale
Fuel and Petroleum Products for International Flight Exemption
Leased Property to Hospitals or Government Bodies
Low Sulfur Dioxide Emission Coal Fueled Device Exemption
Machinery/Equipment for Operation of High Economic Impact Service Facility
Occasional Sales
Photo Processing Machinery and Equipment Exemption
Property Used in the Operation of Pollution Control Facilities
Sales by Exempt Organizations¹
Sales of Fuel to Vessels on Bordering Rivers
Sales of Machinery and Equipment in Operation of Aircraft Maintenance Facilities
Sales of Tangible Personal Property Used by Aircraft Maintenance Facilities
Sales Tax Holiday Exemptions
Sales Through Penny Bulk Vending Machines
Specified Photoprocessing Charges Exemption
Use by Nonresidents While Temporarily Passing Through Illinois

Revenue Source: Individual Income Tax

Expenditure:

Jobs Tax Credit
River Edge Redevelopment Zone Site Remediation Tax Credit

Revenue Source: Corporate Income Tax

Expenditure:

Dependent Care Assistance Credit
Ex-Felons Jobs Credit
High Economic Impact Business Interest Subtraction
Historic Preservation Credit
Interest Expense Subtraction
Jobs Tax Credit
Live Theater Production Tax Credit
New Markets Tax Credit
River Edge Historic Preservation Credit
River Edge Redevelopment Zone Site Remediation Tax Credit
Student-Assistance Contribution Credit
TECH-PREP Youth Vocational Program Credit

¹ Sales by a non-profit service enterprise operated exclusively for charitable, religious, or educational purposes are exempt when sales are 1) made to the organization's members, students, patients, or inmates when made primarily for the purpose of the organization; 2) noncompetitive with business establishments, and 3) occasional.

TAX EXPENDITURES WHERE IMPACT WAS NOT REPORTED

Revenue (Concluded)

Revenue Source: Automobile Renting Occupation and Use Tax

Expenditure:

Loaner Vehicles on Warranty

Revenue Source: Cigarette and Cigarette Use Taxes

Expenditure:

Prison and Mental Health Facility Exemption

Revenue Source: Electricity Excise Tax

Expenditure:

Sales to Municipal Transit Systems

Revenue Source: Telecommunications Excise Tax

Expenditure:

Coin-Operated Telecommunications Devices Exemption

State Universities Exemption

Revenue Source: Real Estate Transfer Tax

Expenditure:

Exempted Deeds or Trust Documents

Revenue Source: Aircraft/Watercraft Use Tax

Expenditure:

Production Agriculture Exemption

Rolling Stock Exemption

Sales to Exempt Organizations

Surviving Spouse Exemption

Watercraft Temporarily Used in Illinois Exemption

TAX EXPENDITURES LEGAL AUTHORITY

Secretary of State

Revenue Source: Motor Vehicle Registration (1st Division)	625 ILCS 3-806
Expenditure:	
Drivers Education Vehicles	625 ILCS 5/3-808
X-POW Vehicle Registration Exemption	625 ILCS 5/3-620
Charitable Organization Vehicle Exemption	625 ILCS 5/3-808
Disabled Veteran Vehicle Registration Exemption	625 ILCS 5/3-609
Municipality Owned Passenger Vehicle Exemption	625 ILCS 5/3-808
Sheriff Plates	625 ILCS 5/3-808
Senior Citizen Plate Renewal Reduction	625 ILCS 5/3-806.3
Congressional Medal of Honor Winners Vehicles	625 ILCS 5/3-609.1
Revenue Source: Standard Identification Card Fee	15 ILCS 335/12
Expenditure:	
Duplicated/Corrected ID Senior Citizen/Handicapped	15 ILCS 335/4(d), 12A
Revenue Source: Duplicated/Corrected Driver's License	625 ILCS 5/6-118(a)
Expenditure:	
Duplication of Stolen Licenses for Senior Citizens	625 ILCS 5/6-118(a)
Revenue Source: Driver's License Four Year Renewal Fee	625 ILCS 5/6-118(a), (b), (c)
Expenditure:	
Reduced Renewal Fee for Senior Citizens	625 ILCS 5/6-118(a) & 6-115(g)
Revenue Source: Annual Reports of Corporations	805 ILCS 5/15
Expenditure:	
Two Million Dollar Cap on Annual Franchise Tax for Corporations	805 ILCS 5/15.45, 5/15.75

Treasurer

Revenue Source: Estate and Generation Skipping Transfer Tax	35 ILCS 405
Expenditure:	
Exclusion Amount	35 ILCS 405/2
Qualified Terminable Interest Property (QTIP) Trust	35 ILCS 405/2(b-1)

Natural Resources

Revenue Source: Watercraft Registration Fee	625 ILCS 45/3-2
Expenditure:	
Canoe or Kayak Owned by Non-Profit Organization	624 ILCS 45/3-12
Revenue Source: Camping and Beach Fees	20 ILCS 805/63a23, 805/63a21.1
Expenditure:	
Disabled Persons, Former POWs, and Illinois Residents Over 62	20 ILCS 805/63a23
Revenue Source: Inland Trout Stamp	515 ILCS 5/20-11, 5/20-51
Expenditure:	
Disabled, Under 16	515 ILCS 5/20-11
Revenue Source: Hunting Licenses and Permits	520 ILCS 5/1/13, 5/2.11, 5/2.26, 5/3.2
Expenditure:	
Disabled, 65 or Over, Landowners/Tenants	520 ILCS 5/3.1, 5/3.1-2
Revenue Source: Fishing Licenses	515 ILCS 5/20-5, 5/20-20, 5/20-45, 5/20-55
Expenditure:	
Disabled, Under 16, 65 or Over, Fee Fishing Areas, Owners/Tenants Disc.	515 ILCS 5/20-5, 5/20-15
Revenue Source: Sportsman License	515 ILCS 5/20-45, 520 ILCS 5/3.39
Expenditure:	
Disabled, 65 or Over, Landowners/Tenants	515 ILCS 5/20-5, 520 ILCS 5/3.1

TAX EXPENDITURES LEGAL AUTHORITY

Natural Resources (Concluded)

Revenue Source: Trapping License	520 ILCS 5/3.3, 3.4
Expenditure: Owners, Bona Fide Tenants and Their Children	520 ILCS 5/3.3
Revenue Source: Salmon Stamp	515 ILCS 5/20-10, 5/20-50
Expenditure: Disabled, Under 16	515 ILCS 5/20-10
Revenue Source: Habitat Stamps	520 ILCS 5/3.1
Expenditure: Under 16	520 ILCS 5/3.1
Revenue Source: Waterfowl Stamps	520 ILCS 5/3.1, 5/3.2
Expenditure: Disabled, Landowners/Tenants	520 ILCS 5/3.1

Financial and Professional Regulation

Revenue Source: Boxing/Martial Arts Events Tax	225 ILCS 105/13
Expenditure: Gross Receipts Tax Cap	225 ILCS 105/13

Insurance

Revenue Source: Insurance Privilege Tax	215 ILCS 5/409
Expenditure: Fire Department Tax Credit	215 ILCS 5/409
Illinois New Markets Tax Credit	215 ILCS 5/409(6)
Replacement Corporate Income Tax	215 ILCS 5/409
Revenue Source: Retaliatory Tax	215 ILCS 5/444, 5/444.1
Expenditure: Financial Regulation Fee	215 ILCS 5/444
Fire Department Tax Credit	215 ILCS 5/444
Fire Marshal Tax Offset	425 ILCS 25/12 and 50 Ill. Adm. Code subsec. 2515.50(b)(8)
Other	215 ILCS 5/444
Policy Form Filing Fees	215 ILCS 5/444
Privilege Tax Offset	215 ILCS 5/444
Replacement Income Tax Credit	215 ILCS 5/444

Healthcare and Family Services

Revenue Source: Long-Term Care Provider Assessment	305 ILCS 5/5E-10
Expenditure: 100% Contribution Homes Exemption	305 ILCS 5/5E-5
Revenue Source: Hospital Provider Assessment	305 ILCS 5/5A-2
Expenditure: Hospital Provider exemption	305 ILCS 5/5A-3
Revenue Source: Long Term Care Provider - Occupied Bed Assessment	305 ILCS 5/5B-2 and 5/5-2.07
Expenditure: Long Term Care Provider - Occupied Bed Assessment Exemption	305 ILCS 5/5B-3

Public Health

Revenue Source: Health Care Facility Permit Application Fee	20 ILCS 3960/5
Expenditure: Natural Disaster and Other Emergency Waiver	20 ILCS 3960/5
Revenue Source: Vital Records Fees	410 ILCS 535
Expenditure: U. S. Veterans Administration Exemption	410 ILCS 535/25-7(b)
Groups Chartered by U. S. Congress Exemption	410 ILCS 535/25-1(b)
Illinois Adoption Registry	750 ILCS 50/18.6
Revenue Source: Metabolic Screening and Treatment Fee	410 ILCS 240/1
Expenditure: State Agency Lab Exemption	410 ILCS 240/1
Revenue Source: Private Sewage Fee	225 ILCS 225/5
Expenditure: Plumbing License Exemption	225 ILCS 225/5
Revenue Source: Pesticide Control Fee	225 ILCS 235/9
Expenditure: State Agency Employee Exemption	225 ILCS 235/22

TAX EXPENDITURES LEGAL AUTHORITY

Public Health (Concluded)

Revenue Source: Recreational Area Fee	210 ILCS 95
Expenditure:	
Not-for-Profit & Gov. Agency Original License Application Fee Waiver.	210 ILCS 95/5
Not-for-Profit & Gov. Agency Construction Application Fee Waiver	210 ILCS 95/4
Not-for-Profit & Gov. Agency License Renewal Waiver.	210 ILCS 95/6
Revenue Source: Swimming Pool and Bathing Beach Fee	210 ILCS 125
Expenditure:	
Tax-Exempt 501(c)(3) & Gov. Facility Construction Application Fee Waiver	210 ILCS 125/5
Tax-Exempt 501(c)(3) & Gov. Facility License Renewal Fee Waiver	210 ILCS 125/6
Tax-Exempt 501(c)(3) & Gov. Facility Original License Fee Waiver.	210 ILCS 125/4
Revenue Source: Long Term Care Facility Fee	210 ILCS 45/3-103
Expenditure:	
Fac. lic. for Intermediate Care Facility for Dev. Disabled &/or Skilled under 22 beds only.	210 ILCS 45/3-103
Revenue Source: Childhood Lead Screening Fee	410 ILCS 45/1
Expenditure:	
Low Income Family Waiver	410 ILCS 45/1
Revenue Source: Youth Camp License Application Fee	210 ILCS 100/5
Expenditure:	
Governmental Agency Waiver	210 ILCS 100/5
Revenue Source: Water Pump Contractor Fee	225 ILCS 345/13
Expenditure:	
Licensed Plumber Exemption	225 ILCS 345/1
Revenue Source: Environmental Lead License Application Fee	410 ILCS 45/8.1
Expenditure:	
Department of Public Health and Delegate Agency Employee Waiver	410 ILCS 45/8.1
Revenue Source: Salvage Warehouse and Salvage Warehouse Store Act	240 ILCS 30/0.1
Expenditure:	
Not-for-Profit Organization Waiver	240 ILCS 30/0.1
Revenue Source: Asbestos Abatement License Fee	105 ILCS 105/6 and 225 ILCS 207/20
Expenditure:	
Governmental employee waiver	105 ILCS 105/6 and 225 ILCS 207/20
Revenue Source: Plan Review Fee - LTC Facilities	210 ILCS 45/3-202.5
Expenditure:	
Projects costing less than \$100,000	210 ILCS 45/3-202.5

TAX EXPENDITURES LEGAL AUTHORITY

Revenue

Revenue Source: Sales and Use Tax

35 ILCS 105, 110, 115, 120

Expenditure:	
Demonstration Use Prior to Resale	35 ILCS 105/2, 110/2
Game or Game Birds sold at Hunting Area	35 ILCS 120/2-5(32)
Feed and Seed Exemption	35 ILCS 105/2, 120/1
Farm Chemicals Exemption	35 ILCS 105/3-5(7), 120/2-5(1)
Designated Personal Property within Enterprise Zone Exemption	35 ILCS 105/12, 110/12, 115/12, 120/1d
Biodiesel Discount and Exemption	35 ILCS 120/2-10; 105/3-10; 110/3-10; 115/3-10
Building Materials within Enterprise Zone Exemption	35 ILCS 105/12, 110/12, 115/12, 120/5k
Leased Property to Hospitals or Government Bodies	35 ILCS 105/3-5(22) & (23), 110/3-5(15) & (16), 115/3-5(16) & 120/2-5(28) & (29)
Race Horses	35 ILCS 120/2-5 (27)
Build. Mat. with Intermodal Terminal Fac. Redevelopment Proj. Area Exemption	35 ILCS 120/2-6
Majority Blended Ethanol	(35 ILCS 105/3-10) (from Ch. 120, par. 439.3-10)
Food, Drugs, and Medical Appliances Rate Reduction	35 ILCS 105/3-10, 110/3-10, 115/3-10, 120/2-10
Building Materials to High Economic Impact Business Exemption	35 ILCS 105/12, 110/12, 115/12, 120/5l
Building Materials within River Edge Redevelopment Zone Exemption	35 ILCS 120/2-54
High Impact Business Building Materials Exemption	35 ILCS 120/5l (from Ch. 120, par. 444l)
High Impact Business Designated Tangible Personal Property Exemption	(35 ILCS 120/1d) (from Ch. 120, par. 444d)
Fuel and Petroleum Products for International Flight Exemption	35 ILCS 105/3-5(12), 110/3-5(8), 115/3-5(8), 120/2-5(22)
Interim Use Prior to Sale Exemption	35 ILCS 105/2, 110/2
Graphic Arts Machinery and Equipment Exemption	35 ILCS 105/3-5(6), 110/3-5(5), 115/3-5(5), 120/2-5(4)
Community Water Supply Construction Items	35 ILCS 105/3-5(34), 110/3-5(26), 115/3-5(27), 120/2-5(39)
Sales by Exempt Organizations	35 ILCS 105/2, 120/1
Sale of Non-Resident Aircraft	35 ILCS 105/3-55(h-2), 120/2-5 (25-7)
Semen for Artificial Insemination of Livestock	35 ILCS 120/2-5 (26)
Aircraft Support Center Exemption	35 ILCS 105/12, 110/12, 115/12, 120/1o
Farm Machinery and Equipment Exemption	35 ILCS 105/3-5(11), 110/3-5(7), 115/3-5(7), 120/2-5(2)
Sales of Motor Vehicles to Non-Residents Exemption	35 ILCS 105/3-55, 120/2-5(25)
Photo Processing Machinery and Equipment Exemption	35 ILCS 105/3-5(15), 110/3-5(11), 115/3-5(11), 120/2-5(20)
Gasohol Discount	35 ILCS 105/3-10, 110/3-10, 115/3-10, 120/2-10
Manufacturing and Assembling Machinery and Equipment Exemption	35 ILCS 105/3-5(18), 110/2(5), 115/2(e), 120/2-5(14)
Property Acquired by Non-Resident before Relocating in Illinois Exemption	35 ILCS 105/3-70, 110/3-60
Specified Photoprocessing Charges Exemption	35 ILCS 105/3-15, 110/3-15, 115/3-15, 120/2-15
Low Sulfur Dioxide Emission Coal Fueled Device Exemption	35 ILCS 105/2a-1, 110/2b, 115/2b, 120/1a-1
Sales Tax Holiday Exemptions	35 ILCS 105/3-10, 120/2-10
Machinery/Equipment for Operation of High Economic Impact Service Facility	35 ILCS 105/12, 110/12, 115/12, 120/1j

TAX EXPENDITURES LEGAL AUTHORITY

Revenue (Continued)

Property Used in the Operation of Pollution Control Facilities	35 ILCS 105/12, 110/12, 115/12, 120/1e
Newsprint and Ink to Newspapers and Magazines Exemption	35 ILCS 105/2, 120/1
Occasional Sales	35 ILCS 105/2, 120/1
Sales of Fuel to Vessels on Bordering Rivers	35 ILCS 120/2-5(24)
Retailer's Discount	35 ILCS 105/9, 110/9, 115/9, 120/3
Public Service Corporation for Municipal Convention Hall Purposes	65 ILCS 5/11-65-15, 5/11-65-25
Teacher Sponsored Student Organization Exemption	35 ILCS 105/3-5(9), 110/3-5(6), 115/3-5(6), 120/2-5(6)
Manufacturer's Purchase Credit	35 ILCS 105/3-85, 110/3-70
Sales of Vehicles to Automobile Rentors Exemption	35 ILCS 105/3-5(10) & 120/2-5(5)
Sales to Not for Profit Music and Dramatic Arts Organization Exemption	35 ILCS 105/3-5(3), 110/3-5(3), 115/3-5(3), 120/2-5(9)
Legal Tender, Medallions, and Bullion Exemption	35 ILCS 105/3-5(8), 110/3-5(4), 115/3-5(4), 120/2-5(18)
Nursing Homes Food Drugs and Medical Appliances Exemption	35 ILCS 115/3-5(13)
Use by Nonresidents While Temporarily Passing Through Illinois	
Exemption	35 ILCS 105/3-55, 110/3-45
Rolling Stock Exemption	35 ILCS 105/3-55(b) & (c), 110/3-115/2(d) & (d-1), 120/2-5(12) & (13)
Traded-In Property Exemption	35 ILCS 105/2, 120/1
Senior Citizens Service Enterprises Exemption	35 ILCS 105/3-5(1), 110/3-5(1), 115/3-5(1), 120/2-5(10)
Sales to County Fair Association Exemption	35 ILCS 105/3-5(2), 110/3-5(2), 115/3-5(2), 120/2-5(8)
Sales of Mach. & Equip. in Operation of Aircraft Maintenance Facilities	35 ILCS 105/12, 110/12, 115/12, 120/1m
Nutrition Program for the Elderly Exemption	35 ILCS 105/2, 120/1
Charitable, Religious, Governmental, and Educational Exemption	35 ILCS 105/3-5(4), 110/2, 115/2, 120/2-5(11)
Sales of Tangible Personal Property Used by Aircraft Maintenance Facilities	35 ILCS 105/12, 110/12, 115/12, 120/1n
Sales Through Penny Bulk Vending Machines	35 ILCS 105/2, 120/1
Revenue Source: Individual Income Tax	35 ILCS 5/101 et. seq.
Expenditure:	
Military Pay Subtraction	35 ILCS 5/203(a)(E)
Ex-Felons Jobs Credit	35 ILCS 5/216
River Edge Redevelopment Zone Site Remediation Tax Credit	35 ILCS 5/201(n)
Veterans Jobs Credit	35 ILCS 5/217
River Edge Redevelopment Zone - Jobs Tax Credit	35 ILCS 5/201(g)
80/20 Rules (3)	35 ILCS 5/203 (a) (EE)
80/20 Rules (1)	35 ILCS 5/203 (a) (CC)
Additional Exemptions: Blind and Elderly	35 ILCS 5/204 (d)
Earned Income Tax Credit	35 ILCS 5/212
Education Expense Credit	35 ILCS 5/201(m)
80/20 Rules (2)	35 ILCS 5/203 (a) (DD)
Federally Taxed Social Security Subtraction	35 ILCS 5/203 (a)(L)
TECH-PREP Youth Vocational Credit	35 ILCS 5/209
River Edge Redevelopment Zone Investment Credit	35 ILCS 5/201(f)
Federally Taxed Retirement	35 ILCS 5/203 (a)(F)
Interest Expense Subtraction	35 ILCS 5/203 (a) (M)
River Edge Redevelopment Zone Dividend Subtraction	35 ILCS 5/203(a)(2)(J)
Acceleration of Life Insurance Benefits Subtraction	35 ILCS 5/203 (a) (Q)
Job Training Contribution Subtraction	35 ILCS 5/203 (a) (O)
Compensation of Nazi Victims	35 ILCS 5/203 (a) (X)
Foreign Trade Zone Dividends Subtraction	35 ILCS 5/203 (a) (K)
Ride Sharing Subtraction	35 ILCS 5/203 (a) (BB)

TAX EXPENDITURES LEGAL AUTHORITY

Revenue (Continued)

Credit for Student Assistance Contributions	35 ILCS 5/218
New Markets Tax Credits	20 ILCS 663
Amount Awarded for being Wrongfully Imprisoned	35 ILCS 5/203 (a) (FF)
Bonus Zone Depreciation	35 ILCS 5/203 (a) (Z)
Capital Gain or Loss Bonus Depreciation	35 ILCS 5/203 (a) (AA)
Economic Development for a Growing Economy Tax Credit	35 ILCS 5/211
Film Production Services Credit	35 ILCS 5/213
College Savings Pool Account	35 ILCS 5/203 (a)(Y)
Affordable Housing Donations Tax Credit	35 ILCS 5/214
Enterprise Zone Investment Credit	35 ILCS 5/201(f)
Enterprise Zone Dividends Subtraction	35 ILCS 5/203(a)(J)
Enterprise Zone, Foreign Trade Zone - Jobs Tax Credit	35 ILCS 5/201(g)
High Impact Business Investment Credit	35 ILCS 5/201(h)
Research and Development Credit	35 ILCS 5/201(k)
IRA Converted to Roth IRA Subtraction	35 ILCS 5/203(a) (W)
Tax Credit for Residential Real Property Taxes	35 ILCS 5/208
Standard Exemption: Taxpayers and Dependents	35 ILCS 5/204 (a),(b),(c)
Self-Employed Health Insurance Subtraction	35 ILCS 5/203 (a) (V)
Persian Gulf War Bonus Subtraction	35 ILCS 5/203 (a) (R)
Medical Care Savings Account Subtraction	35 ILCS 5/203 (a) (S) & (T)
Dependent Care Assistance Program Tax Credit	35 ILCS 5/210
Revenue Source: Corporate Income Tax	35 ILCS 5/101 et. seq.
Expenditure:	
TECH-PREP Youth Vocational Program Credit	35 ILCS 5/209
River Edge Redevelopment Zone Site Remediation Tax Credit	35 ILCS 5/201(n)
Job Training Contribution Subtraction	35 ILCS 5/203(b)(P)
Enterprise Zone, Foreign Trade Zone - Jobs Credit	35 ILCS 5/201(g)
Dependent Care Assistance Credit	35 ILCS 5/210
High Economic Impact Business Dividend Subtraction	35 ILCS 5/203(b)(L)
Research and Development Credit	35 ILCS 5/201(k)
Interest Expense Subtraction	35 ILCS 5/203(b)(I)
Illinois Net Operating Loss Deduction	35 ILCS 5/207(a) & (b)
High Economic Impact Business Investment Credit	35 ILCS 5/201(h)
Foreign Insurer Rate Reduction	35 ILCS 5/201(d-1)
Employee Child Care Tax Credit	35 ILCS 5/210.5
Film Production Services Credit	35 ILCS 5/213
River Edge Redevelopment Zone - Jobs Tax Credit	35 ILCS 5/201(g)
Enterprise Zone Investment Credit	35 ILCS 5/201(e)9f
Enterprise Zone Charitable Contribution Subtraction	35 ILCS 5/203(b)(2)(N)
High Economic Impact Business Interest Subtraction	35 ILCS 5/203(b)(M-1)
Ex-Felons Jobs Credit	35 ILCS 5/216
River Edge Redevelopment Zone Investment Credit	35 ILCS 5/201(f)
Attorney-In-Fact Subtraction	35 ILCS 5/203(b)(2)(R)
Affordable Housing Donations	35 ILCS 5/214
Enterprise Zone Dividends Subtraction	35 ILCS 5/203(b)(2)(K)
Veterans Jobs Credit	35 ILCS 5/217
Enterprise Zone Interest Subtraction	35 ILCS 5/203(b)(2)(M)
Credit for Student Assistance Contributions	35 ILCS 5/218
Economic Development for a Growing Economy Tax Credit	35 ILCS 5/211
Angel Investment Credit	35 ILCS 5/220
Historic Preservation Credit	35 ILCS 219
Bonds issued by the Central Illinois Economic Development Authority	70 ILCS 506/40
Bonds issued by the Downstate Illinois Sports Facilities Authority	70 ILCS 3210/60
Bonds issued by the Eastern Illinois Economic Development Authority	70 ILCS 506/40
Bonds issued by the Export Development Act of 1983	IL Rev. Stat. 1991, ch. 127, par. 2513, repealed by P.A. 87-860
Bonds issued by the Illinois Development Finance Authority	20 ILCS 3505/7.50-7.61
Bonds issued by the Illinois Development Finance Authority or the Illinois Finance Authority under the Asbestos Abatement Finance Act	20 ILCS 3510/8
Bonds issued by the Illinois Finance Authority	20 ILCS 3501/various sections
Bonds issued by the Illinois Housing Development Authority	20 ILCS 3805/31
Bonds issued by the Illinois Sports Facilities Authority	70 ILCS 3205/15
Bonds issued by the Illinois Urban Development Authority	70 ILCS 531/11
Bonds issued by the Quad Cities Interstate Metropolitan Authority	45 ILCS 35/110
Bonds issued by the Quad Cities Regional Economic Development Authority	70 ILCS 510/11-13
Bonds issued by the Southeastern Illinois Economic Development Authority	70 ILCS 518/40
Bonds issued by the Southern Illinois Economic Development Authority	70 ILCS 519/5-45
Bonds issued by the Southwestern Illinois Development Authority	70 ILCS 520/7.5

TAX EXPENDITURES LEGAL AUTHORITY

Revenue (Continued)

Bonds issued by the Upper Illinois River Valley Development Authority	70 ILCS 530/7.1
Bonds issued by the Western Illinois Economic Development Authority	70 ILCS 532/45
Bonds issued by the Will-Kankakee Regional Development Authority	70 ILCS 535/14
Bonds issued pursuant to Sections 7.8 through 7.87 of the Illinois Development Finance Authority Act	20 ILCS 3505/7-86
Bonds issued under the Rural Bond Bank Act	30 ILCS 360/3-12
Live Theater Production Credit	35 ILCS 17
New Markets Tax Credit	20 ILCS 663
Cemetery Pre-Need Sales	225 ILCS 45/4a
Nuclear Decommissioning Trusts	220 ILCS 5/8-508.1
River Edge Historic Preservation Credit	35 ILCS 5/221
River Edge Redevelopment Zone Investment Credit	35 ILCS 201(f)
Revenue Source: Automobile Renting Occupation and Use Tax	35 ILCS 155/1 - 155/4
Expenditure:	
Claims for Loss or Damage Deduction	35 ILCS 155/2
Exempt Organization Rentals	35 ILCS 155/3
Other/Miscellaneous Deduction	35 ILCS 155/2
Timely Filing and Full Payment Discount	35 ILCS 120/3, 155/3
Refueling Deduction	35 ILCS 155/2
Insurance Coverage Deduction	35 ILCS 155/2
Loaner Vehicles on Warranty	35 ILCS 155/2
Revenue Source: Cigarette and Cigarette Use Taxes	35 ILCS 130/1 - 130/30, and 135/1 - 135/37
Expenditure:	
Prison and Mental Health Facility Exemption	35 ILCS 130/1
Cost of Collection Discount	35 ILCS 130/2, 135/3
Revenue Source: Hotel Operators' Occupation and Use Tax	35 ILCS 145/1 - 145/10
Expenditure:	
Cost of Collection Discount	35 ILCS 145/6
Permanent Residents Exemption	35 ILCS 145/3, 145/9
Revenue Source: Liquor Gallonage Tax	235 ILCS 5/1-1 - 5/11-2
Expenditure:	
Sacramental Wine Exemption	235 ILCS 5/1-3.05
Non-Beverage User Exemption	235 ILCS 5/8-1
Cost of Collection Discount	235 ILCS 5/8-2
Revenue Source: Underground Storage Tank Tax	35 ILCS 505/1 - 505/21
Expenditure:	
Liquefied Propane Gas Exemption	35 ILCS 505/2a
Airport Exemption	35 ILCS 505/2a
Timely Filing and Full Payment Discount	35 ILCS 505/2b (UST); 415 ILCS 125/301 (EIF)
Exemp. for Ships, Barges, & Vessels in Interstate Commerce on Border Rivers	35 ILCS 505/2a
Rail Carrier Exemption	35 ILCS 505/2a
Revenue Source: Motor Fuel Taxes	35 ILCS 505/1 - 505/21
Expenditure:	
Timely Filing and Full Payment Discount	35 ILCS 505/6,505/6a
Sales for Use Other Than in Motor Vehicles Exemption	35 ILCS 505/6,505/6a
Privately Owned Transportation Utility Exemption	35 ILCS 505/6,505/6a
Municipal Corporation Owning Transportation System Exemption	35 ILCS 505/6,505/6a
Aviation Purposes Exemption	35 ILCS 505/6,505/6a
Revenue Source: Electricity Excise Tax	35 ILCS 640/15- 640/99
Expenditure:	
Sales to Municipal Transit Systems	35 ILCS 640/2-4
Purchase of Electricity Generated by Solid Waste Energy Facility Credit	220 ILCS 5/8-403.1
Enterprise Zone and Foreign Trade Zone High Economic Impact	
Business Exemption	220 ILCS 5/9-222.1
Enterprise Zone Exemption	220 ILCS 5/9-222 and 9-222.1A
High Impact Business Exemption	220 ILCS 5/9-222 and 9-222.1A
Revenue Source: Gas Revenue Tax	35 ILCS 615/1 -615/15; 35 ILCS 173/5-1 - 173/5-999
Expenditure:	
Gas Used in Production of Fertilizer	35 ILCS 173/5-50(6)
Enterprise Zone and Foreign Trade Zone High Economic Impact	
Business Exemption	35 ILCS 615/1, 35 ILCS 173/5-50(1)
Enterprise Zone Exemption	220 ILCS 5/9-222 and 9-222.1A
High Impact Business Exemption	220 ILCS 5/9-222 and 9-222.1A
Gas Used in Petroleum Refinery Operation	35 ILCS 173/5-50(4)
Gas Used in Production of Electric Energy	35 ILCS 173/5-50(3)
Cost of Collection Discount (Gas Use Tax)	35 ILCS 173/5-40
Gas Used in Liquefaction Process	35 ILCS 173/5-50(5)

TAX EXPENDITURES LEGAL AUTHORITY

Revenue (Concluded)

Revenue Source: Telecommunications Excise Tax	35 ILCS 630/1 - 630/21
Expenditure:	
Enterprise Zone Exemption	220 ILCS 5/9-222 and 9-222.1A
High Impact Business Exemption	220 ILCS 5/9-222 and 9-222.1A
State Universities Exemption	35 ILCS 630/2(k)
Cost of Collection Discount	35 ILCS 630/6
Coin-Operated Telecommunications Devices Exemption	35 ILCS 630/2
Revenue Source: Vehicle Use Tax	625 ILCS 5/3-1001 - 5/3-1006
Expenditure:	
Farm Implement - Ready Mix Exemption	625 ILCS 5/3-1001
Family Member Preferential Tax Rate	625 ILCS 5/3-1001
Business Reorganization Preferential Tax Rate	625 ILCS 5/3-1001
Estate Gift to Beneficiary Preferential Tax Rate	625 ILCS 5/3-1001
Government, Charitable, Educational, Religious Entities Exemption	625 ILCS 5/3-1001
Surviving Spouse Exemption	625 ILCS 5/3-1001
Out-of-State Resident Exemption	625 ILCS 5/3-1001,
	35 ILCS 105/3-55
Rolling Stock Exemption	625 ILCS 5/3-1001,
	35 ILCS 105/3-55
Revenue Source: Real Estate Transfer Tax	35 ILCS 200/31
Expenditure:	
Other Exempted Deeds or Trust Documents	35 ILCS 200/31-45
Exempted deeds or trust documents	35 ILCS 200/31-45
Corporate Franchise Tax Exemption	35 ILCS 200/31-46
Homeownership Made Easy Act	35 ILCS 200/31-45(m)
Revenue Source: Aircraft/Watercraft Use Tax	35 ILCS 157, 35 ILCS 158
Expenditure:	
Watercraft Temporarily Used in Illinois Exemption	35 ILCS 158/15-10(v)
Surviving Spouse Exemption	35 ILCS 157/10-15(iv),
	35 ILCS 158/15-10(iv)
Rolling Stock Exemption	35 ILCS 157/10-15(iii),
	35 ILCS 158/15-10(iii)
Sales to Exempt Organizations	35 ILCS 157/10-15(ii),
	35 ILCS 158/15-10(ii)

Commerce Commission

Revenue Source: Gross Receipts Tax (Public Utility Fund)	220 ILCS 5/2-202
Expenditure:	
Enterprise Zone Revenue Exemption	220 ILCS 5/3-121

Environmental Protection Agency

Revenue Source: Sewer Construction Permit Application Fee	415 ILCS 5/12.2
Expenditure:	
State and Local Government Exemption	415 ILCS 5/12.2
Revenue Source: Water Main Construction Permit Application Fee	415 ILCS 5/16.1
Expenditure:	
State and Local Government Exemption	415 ILCS 5/16.1
Revenue Source: NPDES Permit Discharge Fee	415 ILCS 5/12.5
Expenditure:	
State Government and School District Exemption	415 ILCS 5/12.5

Gaming Board

Revenue Source: Riverboat Gambling Admission Tax	230 ILCS 10/12(a)
Expenditure:	
Tax Free Admission Passes	230 ILCS 10/12

Racing Board

Revenue Source: Horse Racing Admission Tax	230 ILCS 5/25
Expenditure:	
Free General Admission	230 ILCS 5/25
Revenue Source: Racing Pari-mutuel (aka:Privilege Tax)	230 ILCS 5/27
Expenditure:	
Real Estate Tax Credit	230 ILCS 5/32.1

TAX EXPENDITURES BY PURPOSE (IN THOUSANDS)

Agricultural Expenditures		
	Fiscal Year 2013 Annual Impact	Fiscal Year 2014 Annual Impact
Tax: Sales Tax		
Farm Chemicals (Includes Feed and Seed) Exemption	\$ 267,000	\$ 255,000
Biodiesel Discount and Exemption	132,700	144,000
Gasohol Discount	146,100	136,000
Farm Machinery and Equipment Exemption	71,000	81,000
Majority Blended Ethanol	1,700	1,300
Total	\$ 618,500	\$ 617,300
Tax: Other		
Farm Implement - Ready Mix Exemption	\$ 1,060	\$ 1,000
Total	\$ 1,060	\$ 1,000
Total, Agricultural Expenditures	\$ 619,560	\$ 618,300

Business Expenditures		
	Fiscal Year 2013 Annual Impact	Fiscal Year 2014 Annual Impact
Tax: Sales Tax		
Manufacturing and Assembling Machinery and Equipment Exemption*	\$ 204,000	\$ 168,000
Retailer's Discount	124,500	131,000
Rolling Stock Exemption	76,100	87,000
Sales of Vehicles to Automobile Rentors Exemption	45,600	49,000
Manufacturer's Purchase Credit*	34,539	36,000
Designated Tangible Personal Property within Enterprise Zone Exemption*	18,608	21,108
Building Materials within Special Zone Exemption*	23,899	18,753
Graphic Arts Machinery and Equipment Exemption*	10,200	10,000
Newsprint and Ink to Newspapers and Magazines Exemption	32,000	9,800
Interim Use Prior to Sale Exemption	5,200	3,300
HIB Building Materials Exemption*	4,699	2,921
HIB Designated Tangible Personal Property Exemption*	2,311	2,389
Total	\$ 581,656	\$ 539,271
Tax: Individual Income Tax		
Income Tax Credits*	\$ 55,033	\$ 43,210
Income Tax Subtractions*	7,058	67,934
Total	\$ 62,091	\$ 111,144
Tax: Corporate Income Tax		
Economic Development for a Growing Economy Tax Credit*	\$ 45,085	\$ 58,873
Research and Development Credit*	30,696	57,407
Film Production Services Credit*	18,753	44,858
Illinois Net Operating Loss Deduction	0	34,084
Enterprise Zone Investment Credit*	17,928	19,237
Foreign Insurer Rate Reduction	14,065	13,091

TAX EXPENDITURES BY PURPOSE

(IN THOUSANDS)

Business Expenditures (Concluded)		
	Fiscal Year 2013 Annual Impact	Fiscal Year 2014 Annual Impact
Tax: Corporate Income Tax (Concluded)		
All Other 1299-D Credits	0	9,424
River Edge Redevelopment Zone Investment Credit*	0	632
Angel Investment Credit*	0	494
Other Schedule M Subtractions	1,095	411
High Economic Impact Business Dividend Subtraction*	93	333
High Economic Impact Business Investment Credit*	0	162
Interest on Certain Obligations of IL State & Local Government	234	60
Special Zone Dividend, Interest, and Charitable Contribution Subtractions*	1,588	0
Job Training Contribution Subtraction*	24	0
Foreign Dividend Subtraction ¹	0	0
Total	\$ 129,561	\$ 239,066
Tax: Other²		
Sales for Use Other Than in Motor Vehicles Exemption	\$ 113,902	\$ 166,700
Two Million Dollar Cap on Franchise Tax for Corporations	19,368	24,885
Enterprise & Foreign Trade Zone Exemption - Electricity*	23,572	22,640
Enterprise & Foreign Trade Zone Exemption - Gas*	13,929	17,212
Timely Filing and Full Payment Discount - MFT	18,872	13,883
Cost of Collection Discount - Cigarettes	12,670	13,185
Airport Exemption	12,217	12,546
New Markets Development Program	5,718	12,007
Gas Used in Production of Electric Energy	16,132	11,045
Gas Used In Liquefaction Process	7,000	10,269
Gas Used in Petroleum Refinery Operation	8,273	8,046
Cost of Collection Discount - Telecommunications	8,434	7,951
Cost of Collection Discount - Hotel	4,400	7,120
Enterprise & Foreign Trade Zone Exemption - Telecommunications*	3,642	3,805
Real Estate Tax Credit	3,175	3,340
Rail Carrier Exemption	3,063	3,145
Gas Used in Production of Fertilizer	2,687	2,826
Cost of Collection Discount - Liquor	2,293	2,288
Timely Filing and Full Payment Discount -UST	1,153	1,184
HIB Exemption - Electricity*	1,897	1,127
Cost of Collection Discount (Gas Use Tax)	704	801
HIB Exemption - Telecommunications*	806	679
HIB Exemption - Gas*	652	647
Exemption for Vessels Conducting Interstate Commerce on Border Rivers	595	611
Timely Filing and Full Payment Discount - ART	600	600
Business Reorganization Preferential Tax Rate	49	48
Aviation Purposes Exemption	41	42
Enterprise Zone Revenue Exemption*	18	21
Purchase of Electricity Generated by Solid Waste Energy Facility Credit*	126	0
Total	\$ 285,988	\$ 348,653
Total, Business Expenditures	\$ 1,059,296	\$ 1,238,134

* Tax expenditures intended to provide an economic incentive for business activities.

HIB stands for High Impact Business.

¹ The Foreign Dividend Subtraction was incorrectly included as a state tax expenditure in the FY13 report: all FY13 data has been removed from the affected funds.

² Refer to Appendix D for specific receipt sources for other tax expenditures.

TAX EXPENDITURES BY PURPOSE (IN THOUSANDS)

Individual Expenditures - Broad Based		
	Fiscal Year 2013 Annual Impact	Fiscal Year 2014 Annual Impact
Tax: Sales Tax		
Food, Drugs, and Medical Appliances Rate Reduction	\$ 1,644,000	\$ 1,727,000
Total	\$ 1,644,000	\$ 1,727,000
Tax: Individual Income Tax		
Standard Exemption: Taxpayers and Dependents	\$ 1,109,511	\$ 1,142,715
Tax Credit for Residential Real Property Taxes	547,809	551,730
Earned Income Tax Credit	162,245	231,436
Education Expense Credit	79,714	81,296
Total	\$ 1,899,279	\$ 2,007,177
Total, Individual Expenditures - Broad Based	\$ 3,543,279	\$ 3,734,177
Individual Expenditures - Elderly and Disabled		
	Fiscal Year 2013 Annual Impact	Fiscal Year 2014 Annual Impact
Tax: Individual Income Tax		
Federally Taxed Retirement and Social Security Subtractions	\$ 2,232,932	\$ 2,287,744
Additional Exemptions: Blind and Elderly	34,626	36,085
Total	\$ 2,267,558	\$ 2,323,829
Tax: Other		
Senior Citizen Plate Renewal Reduction	\$ 11,657	\$ 10,193
Reduced Renewal Fee for Senior Citizens	5,370	5,321
Duplicated/Corrected ID Senior Citizen/Handicapped	3,162	2,979
Disabled, Under 16, 65 & Over, Fee Fishing Area, Owner/Tenant Discount	1,272	1,272
Disabled Veteran Vehicle Registration Exemption	395	409
Duplication of Stolen Licenses for Senior Citizens	68	58
Total	\$ 21,924	\$ 20,232
Total, Individual Expenditures - Elderly and Disabled	\$ 2,289,482	\$ 2,344,061
Individual Expenditures - Other		
	Fiscal Year 2013 Annual Impact	Fiscal Year 2014 Annual Impact
Tax: Individual Income Tax		
Military Pay Subtraction	\$ 52,574	\$ 48,031
Other	198	395
Total	\$ 52,772	\$ 48,426
Tax: Other		
Veterans Jobs Credit	\$ 149	\$ 140
X-POW Vehicle Registration Exemption	36	33
Illinois Adoption Registry and Medical Information Exchange	15	15
Total	\$ 200	\$ 188
Total, Individual Expenditures - Other	\$ 52,972	\$ 48,614

TAX EXPENDITURES BY PURPOSE (IN THOUSANDS)

Charitable Expenditures		
	Fiscal Year 2013 Annual Impact	Fiscal Year 2014 Annual Impact
Tax: Sales Tax		
Sales to Exempt Organizations ³	\$ 333,000	\$ 277,000
Total	\$ 333,000	\$ 277,000
Tax: Corporate Income Tax		
Affordable Housing Donations	\$ 8,484	\$ 7,149
Employee Child Care Tax Credit	682	1,741
Total	\$ 9,166	\$ 8,890
Tax: Other		
Government, Charitable, Educational, Religious Entities Exemption	\$ 3,610	\$ 6,240
Charitable Organization Vehicle Exemption	209	2,732
Exempt Organization Rentals	1,600	1,700
Other	352	384
Affordable Housing Donations Tax Credit	110	93
Low Income Family Waiver	80	77
Total	\$ 5,961	\$ 11,226
Total, Charitable Expenditures	\$ 348,127	\$ 297,116

Other Expenditures		
	Fiscal Year 2013 Annual Impact	Fiscal Year 2014 Annual Impact
Tax: Sales Tax		
Traded-In Property Exemption	\$ 282,000	\$ 347,000
Sales of Motor Vehicles to Non-Residents Exemption	39,900	43,500
Legal Tender, Medallions, and Bullion Exemption	2,200	2,500
Property Acquired by Non-Resident before Relocating in Illinois Exemption	950	800
Total	\$ 325,050	\$ 393,800
Tax: Hospital Provider Assessment		
Hospital Provider Exemption	\$ 173,200	\$ 184,600
Total	\$ 173,200	\$ 184,600
Tax: Individual Income Tax		
Other Subtractions	\$ 71,795	\$ 145,051
Total	\$ 71,795	\$ 145,051
Tax: Other		
Other	\$ 106,561	\$ 210,384
Total	\$ 106,561	\$ 210,384
Total, Other Expenditures	\$ 676,606	\$ 933,835

³ The Department of Revenue estimates that of the \$277 million in sales to exempt organizations, governments account for 80% with qualifying non-profits such as charities, religious organizations, and private schools accounting for the remainder.

TECHNICAL APPENDIX

Tax Expenditures Included in This Report

The Comptroller's Office has decided to limit required agency reporting to those tax expenditures that are:

- 1) state levied taxes accruing to the state (this excludes tax expenditures related to locally levied taxes that are collected by the state and tax expenditures for state levied taxes like the personal property replacement taxes and local share of the state sales taxes that are automatically distributed to local governments);
- 2) authorized directly by state law (tax expenditures arising from the adoption of federal income tax provisions as the starting point for state income tax computations need not be reported); and
- 3) in excess of \$1 million in fiscal year 2014 (however, some agencies did report smaller tax expenditures and the receipting agencies were asked to list any tax expenditures for which detailed cost estimates were not provided either because the tax expenditures were less than \$1 million or were not calculable).

Limitations on Using Tax Expenditure Data

Unlike much of the other data released by the Comptroller's Office, the costs of many of the reported tax expenditures are estimates whose accuracy may be affected by the limitations of the data used to construct each estimate. The measurement of a tax expenditure may require assumptions about the tax base that are subjective and might differ if made by another analyst.

The revenue gained from eliminating a tax expenditure can vary from the figures presented in this report as elimination of a tax expenditure may lead taxpayers to change their behavior. For example, the cost savings from a sales tax exemption might be the attraction that causes some shoppers to purchase an item. If the exemption were eliminated, these shoppers might forego purchase of the item, leaving the state with smaller new revenues than would be computed by adding the revenue losses from purchases with the exemption in place. Further, adding the impacts of the various tax expenditures may overstate the total cost of the tax expenditures, as some transactions may be exempt under multiple tax expenditures.

Transactions that are not taxed because they fall outside of the Illinois tax base are not tax expenditures. For example, the Illinois sales tax is a tax on the transfer of tangible personal property for final use. In most cases, services are taxed only to the extent tangible personal property is transferred as part of the service agreement. Thus a purchase of auto repair services is only taxed on the parts used in the repairs. Not fully taxing service purchases is not a tax expenditure as services lie outside the state tax base.

State Versus Federal Law

In some cases, federal tax law serves as the basis for starting state tax computations. For example, computation of the Illinois personal income tax begins with adjusted gross income (AGI) as determined on federal tax returns. Thus some federal tax expenditures are implicitly extended to Illinois personal income taxpayers.

For this report, such indirect tax expenditures are not considered to be authorized by state law. The Illinois statutes may set AGI as the starting point for Illinois personal income tax computations, but the actual authorization of the tax expenditure is determined by federal law and can be modified by amendment of the federal law. The portion of the tax expenditure statute asking for the “citation of the legal authority for the tax expenditure, the year it was enacted, and the fiscal year in which it first took effect” is interpreted to apply only to state statutes.

However, the state can require specific federal tax expenditures to be added back to the state tax base. An example is the municipal bond interest deductions which are added back to taxable income when computing the Illinois personal income tax base.

Tax expenditures based on the federal Constitution are also excluded from this report. An example would be items exempt from state taxation due to the Commerce Clause of the federal Constitution.

Overlapping Taxes

In some cases transactions or income are exempted from one state tax because they are subject to another state tax. For example, transactions subject to the state sales tax are exempt from the state use tax. Exemptions included in the statutes to prevent double taxation are not considered tax expenditures for purposes of this report. Similarly, credits for taxes paid to other states prevent double taxation and are not tax expenditures.

For More Detailed Information

Agency Tax Expenditure Report submissions are available on the State Comptroller’s website: To access the detailed submissions:

- ✓ Go to www.illinoiscomptroller.gov
- ✓ Select “Agencies.”
- ✓ Click on the “Statutorily Required Reporting” button.
- ✓ Click “Detailed Tax Expenditure Data” link, which is listed under the Tax Expenditure Report heading.
- ✓ Use the drop down box to select the agency of interest. Then select the appropriate fiscal year and click on the Select Agency button.
- ✓ Reports can be created for all receipts for the agency or a selected group of receipts. If select receipts is chosen, use the drop down boxes to choose the first and last of the desired group of receipts.
- ✓ Three standardized reports can be created. The Tax Expenditure Detail report contains the detailed agency submissions. The Tax Expenditure by Fund report provides cost estimates by fund, and the Total Tax Expenditure Cost report lists total cost estimates.
- ✓ The above reports can be printed as HTML files.

If you have any additional questions about the *Tax Expenditure Report*, please contact Christopher Hirschenberger at 217/782-0124. ■